

By Mr. ASHLEY (for himself, Mr. BROOMFIELD, Mr. EDWARDS of Louisiana, Mr. FULTON of Pennsylvania, Mr. LATA, Mr. MCKNEALLY, Mr. PATMAN, Mr. SCHNEEBELI, Mr. STOKES, Mr. VANIK, and Mr. YATRON):

H.R. 18617. A bill to provide partial reimbursement for losses incurred by commercial fishermen as a result of restrictions imposed on domestic commercial fishing by a State or the Federal Government; to the Committee on Merchant Marine and Fisheries.

By Mr. BINGHAM:

H.R. 18618. A bill to establish a National Economic Equity Board to protect the public interest in price stability and the control of inflation; to the Committee on Banking and Currency.

By Mr. CABELL:

H.R. 18619. A bill to establish the Offices of Delegate from the District of Columbia to the Senate and Delegate to the House of Representatives, to amend the District of Columbia Election Act, and for other purposes; to the Committee on the District of Columbia.

By Mr. GETTYS:

H.R. 18620. A bill to amend title 38 of the United States Code so as to provide that monthly social security benefit payments shall not be included as income for the purpose of determining eligibility for a pension under that title; to the Committee on Veterans' Affairs.

By Mr. HARRINGTON (for himself, Mr. SYMINGTON, and Mr. MOSHER):

H.R. 18621. A bill to amend the Fish and Wildlife Coordination Act to provide additional protection to marine and wildlife ecology by providing for the orderly regulation of dumping in the coastal waters of the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. LUJAN:

H.R. 18622. A bill to declare that the U.S. holds in trust for the Pueblo of Cochiti approximately 3,308 acres of land; to the Committee on Interior and Insular Affairs.

H.R. 18623. A bill to make certain individuals who participate in civil disorders civilly liable for damages to persons who suffer loss; to the Committee on the Judiciary.

H.R. 18624. A bill to impose an excess profits tax on the income of corporations during the period of military involvement in Southeast Asia, in order to establish a fund to provide for the improvement of the quality of medical care, housing, and education in the United States; to the Committee on Ways and Means.

By Mrs. MINK (for herself, Mr. BROWN of California, Mr. POWELL, Mr. HELSTOSKI, Mr. BINGHAM, Mr. CHARLES H. WILSON, Mr. NEDZI, Mr. LEGGETT, and Mr. PODELL):

H.R. 18625. A bill to amend the Internal Revenue Code of 1954 to disallow any deduction for contributions to elementary and secondary schools which discriminate on the grounds of race; to the Committee on Ways and Means.

By Mr. MIZELL:

H.R. 18626. A bill to amend the Internal Revenue Code of 1954 to allow a current deduction for certain expenditures incurred to make buildings accessible to handicapped persons; to the Committee on Ways and Means.

By Mr. STAGGERS:

H.R. 18627. A bill to regulate travel agents, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. STAGGERS (for himself, Mr. PERKINS, Mr. ROONEY of Pennsylvania, Mr. SKUBITZ, Mr. SATTERFIELD, Mr. CARTER, Mr. STUCKEY, Mr. KUYKENDALL, Mr. SAYLOR, Mr. JOHNSON of California, Mr. McCLURE, Mr. KEE, Mr. WOLD, Mr. MORGAN, Mr. MADDEN, Mr. WAMPLER, Mr. DULSKI, Mr. FLOOD, Mr. SLACK, Mr. FULTON of Pennsylvania, Mr. HAYS, Mr. BEVILL, Mr. MOORHEAD, Mr. GRAY, and Mr. WHALEY):

H.R. 18628. A bill to establish a Commission on Fuels and Energy to recommend programs and policies intended to insure, through maximum use of indigenous resources, that the U.S. requirements for low-cost energy be met, and to reconcile environmental quality requirements with future energy needs; to the Committee on Interstate and Foreign Commerce.

By Mr. STAGGERS (for himself, Mr. MOLLOHAN, Mr. YATRON, Mr. ZION, Mr. TUNNEY, Mr. DENT, Mr. SMITH of New York, Mr. MURPHY of Illinois, Mr. OLSEN, Mr. CLARK, Mr. PRICE of Illinois, Mr. MELCHER, and Mrs. HANSEN of Washington):

H.R. 18629. A bill to establish a Commission on Fuels and Energy to recommend programs and policies intended to insure, through maximum use of indigenous resources, that the U.S. requirements for low-cost energy be met, and to reconcile environmental quality requirements with future energy needs; to the Committee on Interstate and Foreign Commerce.

By Mr. WEICKER:

H.R. 18630. A bill to establish an Intergovernmental Commission on Long Island

Sound; to the Committee on Interior and Insular Affairs.

Mr. BUSH (for himself, Mr. CARTER, Mr. FREY, Mr. GUBSER, Mr. HORTON, Mr. LUKENS, Mr. McCLOSKEY, Mr. MOSHER, Mr. PETTIS, Mr. REID of New York, Mr. VANDER JAGT, and Mr. WOLD):

H.J. Res. 1327. Joint resolution to set forth a national policy on the stabilization of the population of the United States of America; to the Committee on Government Operations.

By Mr. MOLLOHAN:

H. Res. 1159. Resolution to express the sense of the House of Representatives that the U.S. maintain its sovereignty and jurisdiction over the Panama Canal Zone; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN of California:

H.R. 18631. A bill for the relief of Mrs. Rosanna Thomas; to the Committee on the Judiciary.

By Mr. FISHER:

H.R. 18632. A bill for the relief of Maurice R. Seaquist, Lieutenant Colonel, U.S. Air Force; to the Committee on the Judiciary.

By Mrs. MINK:

H.R. 18633. A bill for the relief of Mrs. Andrea Pasion and her minor daughter, Benedicta Pasion; to the Committee on the Judiciary.

By Mr. SMITH of California:

H.R. 18634. A bill for the relief of Satenig G. Shalvardjian; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII,

430. The SPEAKER presented a memorial of the Legislature of the State of California, relative to teachers' retirement, which was referred to the Committee on Education and Labor.

PETITIONS, ETC.

Under clause 1 of rule XXII,

554. The SPEAKER presented a petition of Henry Stoner, York, Pa., relative to an amendment to the Constitution of the United States providing for the item veto of legislation by the President; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

C. G. COMUNTZIS, MORGANTOWN, W. VA., PRESIDENT, 70TH INFANTRY DIVISION ASSOCIATION, WORLD WAR II, SENT RESOLUTION ADOPTED BY THAT ASSOCIATION RELATIVE TO VIETNAM CONFLICT TO THE PRESIDENT

HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Thursday, July 23, 1970

Mr. RANDOLPH. Mr. President, Gus Comuntzis, of Morgantown, W. Va., a good citizen and patriotic American, has sent me a copy of a resolution adopted at the biennial meeting of the 70th Infantry Division Association, World War II, held recently in Reno, Nev.

The resolution, which was sent to the President, was passed by the association unanimously.

Mr. President, I ask unanimous consent that the resolution be printed in the Extensions of Remarks.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

THE 70TH DIVISION ASSOCIATION RESOLUTION

The 70th Infantry Division Association, PO Box 42, Topeka, Kansas, at its biennial meeting at the Mapes Hotel, Reno, Nevada on 27 June 1970 adopted the following resolution:

"We, the members of the 70th Infantry Division Association, being Americans first, being civilians who proudly served our country as soldiers in World War II, who fought militarily for the preservation of freedoms and being men who are vitally concerned with regard to the sacrifices of American G.I.s in the sphere of the Vietnam conflict;

being Americans who disdain and oppose the expressed apathy, complacency, disloyalty and general lack of patriotism so existent among many of our fellow Americans; being men who support the exercise of eternal vigilance required for the preservation of our God given liberties, do hereby resolve that we support any and all efforts on the part of our elected government, and those of our President in his role as Commander-in-Chief of our Armed Forces, in the necessary performance of military action in Vietnam and Cambodia, provided such action is in the best interest of protecting the lives of American fighting men, would serve the purpose of ending the state of conflict and hasten to secure the release of Americans held as prisoners of war.

Furthermore, we do hereby resolve that our government be so urged towards an objective of concluding the war with honor in Vietnam; but under no circumstances should a peace be concluded without the mutual release of all prisoners of war. To

secure such a goal, may God forbid any compromise with the deceptive pretenses of the enemy.

This foregoing expression of our concern was born because we once served our country as fighting men, at such a time when the country was united in the support of our nation and its fighting men, and knew and valued this unity on the battlefield and elsewhere. We are firmly resolved and under the unswerving conviction and belief that our men in the Vietnam conflict are entitled to nothing less—any issue with regard to the legality or illegality of the Vietnamese conflict notwithstanding."

During World War II the 70th Infantry Division with a strength of 15,000 men, in addition to being a combat division, trained and provided more than 75,000 men as replacements before departure to the ETO. This association now represents this group of men who live in all 50 states of this nation.

SOME CONCERNS ABOUT NATIONAL SECURITY BY GEN. IRA C. EAKER, USAF, RETIRED

HON. JOHN J. FLYNT, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. FLYNT. Mr. Speaker, Gen. Ira C. Eaker, U.S. Air Force, retired, recently addressed The Air War College, Maxwell Air Force Base, Ala., in the capacity of guest lecturer. I consider his presentation to be masterful and timely. On occasion, I introduce into the CONGRESSIONAL RECORD a speech without being in full accord with what the author of that speech had to say. In this instance I endorse General Eaker's remarks in both substance and form.

There are at least two reasons for that statement. First, I have a very high regard for Ira Eaker, which high regard I have held since we served together in the European Theater of Operations during World War II. Second, several years ago I was invited to be a guest lecturer at the Air War College and many of the thoughts which I expressed at that time were very similar to those expressed by General Eaker in 1970. In at least two instances our language was almost identical and I believe that the thoughts which prompted that language are identical.

General Eaker served his Nation with distinction for many years and as he says in his remarks which follow, for 53 years his major interest and concern has been and is the national security of the United States of America.

Mr. Speaker, it is with pleasure and with my endorsement of its contents that I include General Eaker's address into the RECORD of the proceedings of the House of Representatives:

SOME CONCERNS ABOUT NATIONAL SECURITY

(By Ira C. Eaker)

General Clark, General Blank, Members of The Air War College Graduating Class, Ladies and Gentlemen:

No one here knows what I shall say today and none is responsible in any way for any of my comments. I alone bear the responsibility. This statement, like the warning on

the cigarette package, is for your protection and continued good health.

There are two reasons for my presence here this morning. The first is illustrated by a war-time story I heard General Eisenhower tell in the summer of 1944, shortly after his forces crossed the English Channel to free Europe from the Nazis. He went on the night before D-Day to visit the 82nd Airborne Division, a few hours prior to the time it was to parachute behind the German lines. There he saw a little fellow who was obviously very frightened. The boy was probably only 16 years old. He had misstated his age by at least two years in order to be in the service at all. The General, in an effort to reassure the boy, engaged him in conversation. He said, "Son, do you like to fly in airplanes?" The boy said, "No, Sir, I hate it." He then asked, "Do you like to jump in parachutes?" The boy said, "No, Sir, it frightens me to death." General Eisenhower then said, "Well, paratroop units are voluntary organizations, why then are you in an airborne division?"

The boy said, "Sir, I guess I just like to be with people who fly in airplanes and jump in parachutes."

Paraphrasing the frightened little paratrooper, I like to be with military people and especially professional leaders long dedicated to the security of our country.

The second reason for my being here is because my major interest and concern for fifty-three years, since entering the military service in May 1917, has been the national security. I believe our country is in greater danger today than at any time in its history. Despite the fact that it is faced with the most powerful enemy it has ever had, it is now, incredibly, engaged in disarming.

Our people appear unaware of their peril and there is an alarming paralysis of leadership. We have no Churchill or Lincoln with the vision and courage to warn and unite our citizens to the effort required for survival.

It is my hope that by sharing my concerns I can enlist, if not your support in remedial action, at least your thoughtful consideration of some of our problems with possible solutions.

My remarks will fall into three subdivisions, a brief look at the Vietnam War, my analysis of President Nixon's defense policy and some suggestions on what we in the military service could and should do to awaken our people to their peril.

I

It would never occur to me, in speaking to a War College class, not to discuss a war in progress, especially one of the magnitude of the Vietnam War. It is now the longest war in our history; more than six million Americans have been engaged; 50,000 have died and 200,000 have been wounded, and it has cost us more than \$100 billion.

I have sometimes summarized the Vietnam War by saying that if we had fought World War II like we have Vietnam, Hitler would control all of Europe today and Japan all of Eastern and Southeastern Asia and the Pacific west of Honolulu.

When a nation with the resources of the U.S. fails to accomplish a military mission against a nation the size of North Vietnam, it must be obvious to the most myopic that there have been errors in strategy or tactics or both.

The first and fundamental error of course was to fight an undeclared war and the failure of our leadership to marshal our resources and obtain popular support, as in our earlier wars (except Korea where we failed to win anything but truce and stalemate).

The next decisive error, made by our political leadership, was to engage in a massive land war where every advantage lay with the

enemy and the failure properly to employ naval and air power. This, combined with the creation of sanctuaries for the enemy, and placing unreasonable restrictions on our forces has made victory impossible.

Another major concern about the Vietnam War is the widely held contention that air power has failed in Vietnam. I see or hear almost every day some commentator's statement that "of course air power is ineffective in a guerrilla war."

As a matter of fact it has been clearly demonstrated in Vietnam that air power alone has the quick response and the detection capability to deal effectively with guerrillas. When guerrillas cannot, even in the densest jungle, light a fire to cook their rice and boil their tea without being detected and suffering a rain of bombs, it should be obvious that it was not air power which failed in Vietnam but the fact that it has been employed improperly.

This degradation of air power in this war must not be allowed to prevail for this will adversely affect force structure and weapons procurement in the future. I do not need to labor this point with this audience, since many of you have served in Vietnam and all of you know why we have not long since ended that conflict. But I do suggest that all of us must make a much greater effort to inform our people and convince our leadership of these facts. Otherwise our future security is in certain jeopardy.

II

My next major concern about national security lies in the loss of the deterrent credibility of our strategic posture.

I was deeply concerned during the eight years when McNamara was Secretary of Defense, in his unilateral disarmament program, based naively upon the conviction that the USSR would be happy to follow suit. I thought when it was initiated that it was unsafe and unwise and subsequent events have completely verified this estimate.

At the time of the Cuban missile crisis our strategic superiority was four or five to one. The Kremlin had no alternative but to comply with President Kennedy's ultimatum.

The Politburo learned that lesson well, threw Khrushchev out, and began at once an all-out effort to gain strategic superiority. This they have now achieved. Secretary of Defense Laird recently told a Congressional Committee that Russia's nuclear delivery capability was at least twice that of the U.S. in megatonnage. It is long since evident that the Kremlin is not satisfied with strategic parity, since they continue to improve their strategic posture at forced draft.

In this situation the critical question is: What will the President, our Commander-in-Chief do? Is he aware of the loss of our strategic superiority and what will he do about it? When he was a candidate for the Presidency, Mr. Nixon's campaign speeches expressed grave concern about Russia's growing strategic strength coincident with our unilateral disarmament. It has surprised me therefore that the process of U.S. disarmament has accelerated under the first two Nixon budgets.

This is my present analysis of the Nixon defense policy:

He will go to the country this Fall, in an effort to elect a Republican Congress, by reminding our people that he expressed the hope that we are leaving a period of confrontation with the Reds and moving into a period of negotiation. Since he became President, therefore, he has reduced our defense budgets by more than \$10 billion and has not deployed a single strategic offensive weapon, relying upon SALT to provide for our continued security through negotiation. In the meantime, Mr. Nixon will continue to wind down the Vietnam War, reducing by

more than half the extent and cost of that conflict and reducing our armed forces by about one million men, military and civilian.

Whether this plan will be politically effective, resulting in Republican control of Congress, I cannot say, not being a politician or political commentator. But I am certain, having spent fifty years as a Red watcher, that it will not favorably influence Kremlin policy. The USSR will never agree to return to strategic inferiority or parity at Vienna or anywhere else. There is no evidence that they have abandoned their plans for world domination and they know that parity is not the route to success in that area.

Instead of the period of negotiation, for which the President hopes, we shall, I believe, have a period of Red nuclear blackmail. Taking advantage of their strategic superiority, the Reds will begin to show their muscle and make hostile demands. Already since achieving superiority they have become much more aggressive. Their air and sea bases in North Africa, their missiles and fighters in Egypt, their growing naval thrusts into the Mediterranean Sea and Indian Ocean provide unmistakable evidence of this.

On May 20th last year missile ships returned to Cuban waters and U.S. intelligence reports that Russian bombers are now using Cuban bases.

Faced then with positive evidence of Red truculence and blackmail, President Nixon will go to the American people in his own reelection bid in 1972 reminding our people and all the world that he bent over backward in an effort to support SALT. He even continued our own strategic disarmament for two years despite certain evidences of the Red strategic arms build-up. Since this effort failed, he proposes to begin at once to restore the strategic imbalance. He can point out that since we have twice the economic resources of the USSR we can and will do this without further delay. Such a campaign promise will be very effective as our people will by then have ample warning of the hazard in strategic inferiority, the loss of the credibility of our deterrent posture.

There is a danger in the Nixon defense strategy as I have outlined it. The Reds may not permit our rearmament. Over the Hot Line from Moscow could come this ultimatum: "As you know, Mr. President, we now have your land-based ICBM's well covered with our SS9's. Your own Secretary of Defense has told your Congress that we can destroy 95% of your ICBM capability in a surprise first strike. The only thing we now have to fear is your Polaris and Poseidon nuclear submarines. We now order you to send these vessels into the Black Sea where we can be sure they are disarmed. You will be wise to comply, since each of your subs at sea is now tailed by two of our killer subs which can destroy your ships at will."

In such a circumstance, when the USSR has about the same strategic superiority, four to one, which we enjoyed at the time of the Cuban missile crisis, the President will have no alternative but to comply with the Red ultimatum as Khrushchev responded in 1961.

What can be done to avoid such a tragic surrender?

First, at least half of our bomber force must be on airborne alert at all times. This bomber force must be modernized by the early development of the B-1 including its decoys and missiles.

Next, the Minuteman III and MIRV program must be pushed at maximum effort.

Then these more long-ranged steps must be taken, but initiated now:

The AWACS (Air Borne Warning and Control) system must be expedited.

We must make our land-based ICBM's mobile, putting them on trucks as the USSR is now doing.

The Navy's recommendation for faster, quieter submarines must be approved.

In the meantime the ABM deployment must be expedited. It is obvious that such a system improves the credibility of our deterrent posture. The Reds believe in ABM effectiveness. They continue to develop and deploy such a system.

High on our priority list must be the rehabilitation of our Air Defense Command, including the earliest possible deployment of an interceptor like the F-12, capable in performance and in numbers of dealing with the Red bomber force. For the first time it now exceeds our own bomber capability. They now have two or three hundred heavy bombers capable of reaching any U.S. target and 700 medium bombers which can reach any U.S. target with air refuelling and they have such refuelling capability. The USSR also is now flight-testing a supersonic bomber like our proposed B-1.

Our own bomber force, as all of you know, numbers 450 B-52's now 20 years old plus 150 F-111's, medium ranged bombers which are grounded.

One of the most effective measures to restore the credibility of our ICBM deterrence would be to devise a system for automatic launch, sometimes called launch on warning. If an enemy knew that when his ICBM's were launched it would trigger the release of our own and that the SS9's would hit empty silos, there would be little prospect that even a mad man like Hitler would try a pre-emptive attack.

All the evidence suggests that the USSR is making an extensive effort in space weapon capability. To their FOBS capability has lately been added the launch of a space weapon capable of destroying our reconnaissance satellites. Without our spy satellites our warning vanishes and our deterrent capability entirely disappears. We then become the "helpless, blind giant," recently referred to by President Nixon.

The U.S. must develop a space capability to overhaul, inspect, and, if need be, destroy any enemy space weapon or satellite.

Perhaps our greatest present deficit *viz* the USSR is in research and development. The U.S. program in R&D has become less and less, year by year and it is now considerably inferior, by any measurement, to that of the USSR. This assures the dismal prospect that in the years ahead the Reds will have strategic weapons of superior quality. Herein probably lies our greatest future danger.

With budgets at present levels, each of the armed services must review their weapons needs and established priorities. These priorities must be coordinated at the JCS and DOD levels to insure that they mesh, are reciprocal and eventually will cover the whole security spectrum without duplication.

III

I am aware, of course, as you probably are, that few if any of these courses of action I have suggested as necessary to regain and retain the credibility of our deterrent strategic posture can be taken in the present political climate in this country.

We are now tragically and incredibly, for the first time in our history, witnessing large-scale treason. A traitor traditionally is one who knowingly gives aid and comfort to the enemy. A considerable number of our citizens, some in high places, have been engaged in treasonable acts and statements for some time. They hide behind the legal fiction that we are engaged in an undeclared war and there is therefore no official enemy.

I believe that when some historian of the future does the job on us which Gibbon did on Rome he will find that the first certain evidence of our decline was our tolerance of treason.

Another popular and political manifestation inimical to the national security is the attack on the military establishment and its people. The left-wing spate of invective and antipathy against the so-called Military-Industrial Complex and the demand of many college presidents, faculty members and campus revolutionaries that ROTC be eliminated are two other very dangerous manifestations of this condition.

The determination of pacifist groups and Congressional doves to reduce defense appropriations and deny needed new weapons systems is but further evidence of the dangerous political and popular climate in which we live today. While some of this is, of course, Communist inspired and agitated by the traitors I mentioned earlier, many patriotic citizens simply do not believe that the Reds represent a menace to our present and future security.

In earlier times since World War II, whenever our defenses were at low level and military appropriations were reduced dangerously, the men in the Kremlin always came to our rescue. They invariably made some offensive gesture or took some definite hostile action to warn our people and our leaders of their hazard.

Greece, the blockade of Berlin, Korea, the Cuban missile crisis and the invasion of South Vietnam fall in this category.

Some observers feel the present Soviet leaders are too smart to make that mistake now. I do not agree. I think they are showing more truculence, more muscle and less evidence of a desire for peaceful co-existence and accord than at any previous time. Their expanding fleets in the Mediterranean Sea and Indian Oceans, their missile ships sailing in the Caribbean, their bombers in Cuba and their missiles and fighters in Egypt, give ample evidence of aggressive designs.

The new factor in this warning process is that Russian aggression no longer worries U.S. leaders or disturbs the American people. Those who urge us to continue unilateral disarmament really do not believe the Reds represent a threat to the U.S. or to Free World security.

Now we come to the crux of the matter. What can we who realize our hazards do to awaken our people to their peril?

Military men have a dual responsibility. They must, of course, maintain the highest professional competence. They must at all times be prepared to execute any mission directed by the Commander-in-Chief despite any private opinion or personal hazard.

In addition they must exercise maximum influence to acquaint their fellow citizens with all pertinent facts concerning the strategy, tactics and weapons essential to that security. It is in this area I think we of the military have been most remiss in recent years. I credit McNamara's extraordinary effort to muzzle the military with much of the silence and detachment of men in uniform during the last few years. But McNamara is gone, fortuitously, and leaders of greater wisdom and sounder judgment have replaced him. Military men can regain their citizenship.

In earlier times when we had only a few thousand military officers we made a much greater effort and were much more successful in communicating with our people on all aspects of national security. If we do not return to this effort, achieve greater success and obtain more support and resources for the defense mission we shall not have the weapons, the forces, the budget and the popular support requisite to a safe defense posture.

I am doing all that I can in this area, more than at any time in my life, since the need is now infinitely greater, and I exhort each of you wherever you are and in whatever way you can to inform and influence our people

about what must be their number one concern, the credibility of our defense posture, the security of our country.

I regret that I have not delivered a more cheerful message today. But these are not happy days. They are dangerous times. They call for extraordinary concern and involvement by all patriotic citizens and demand the careful selection of courageous leaders.

The Air Force is not the only military element in our defense system, of course. The land and sea approaches must be protected as well as the air and space frontiers. But there can be no credible deterrent defense posture without an effective aerospace force. For that reason I shall be hoping and praying for your complete success in your future professional careers. As you its future leaders go, so goes the Air Force. As the Air Force goes, so goes the national security.

THEODORE N. VAIL BRONZE MEDAL
AWARD

HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. JOHNSON of California. Mr. Speaker, I would like to share with my colleagues, another incident involving two modest and quick-thinking men who saved the life of another person. Not long ago, you may recall, I made mention of two Pacific Telephone Co. employees who performed a similar service and were awarded the Theodore N. Vail Award.

This second incident involves two gentlemen, also employed by the Pacific Telephone Co., of Jackson, Calif. Together they saved the life of a 60-year-old woman who had choked on a piece of meat in a restaurant in Jackson.

Messrs. Albert V. Peyus and Francis Warner were together in the Wells Fargo Restaurant when suddenly the owner ran in from another section of the establishment asking the men if they could help a woman who had choked on some food and was now unconscious. The woman, Mrs. William Tam, of Jackson, had been eating dinner when a piece of meat caught in her throat and caused her to gag. She had left the table and went to the restroom, and while there, had become unconscious. The wife of the owner, who had followed her to offer assistance, immediately ran for help. When Messrs. Peyus and Warner reached the restroom they found Mrs. Tam lying face down on the floor. She was cold and her face had turned purple. Breathing had apparently stopped.

By their instantaneous and correct actions, the two men, working as a team, removed the obstructions from Mrs. Tam's throat.

Mr. Warner then placed Mrs. Tam on the floor and administered artificial respiration. Within a few minutes, she started to breathe. At this time, the doctor and ambulance arrived and she was taken to the hospital.

Mrs. Tam said later:

The last thing I remember is running from the table. That was my last conscious thought until later in the hospital after they got

me breathing again. I was through breathing completely. The only conscious thought I had while breathing was somebody said I was dead. I guess maybe I was. I remember the doctor's face above mine. I remember nothing more until they got me to the hospital. They deserve an awful lot of credit. Had they not been there, I wouldn't have made it. I was gone, I was really gone. I deeply appreciate.

Certainly these men performed a public service of a type that is too often publicized. I am extremely pleased that the Theodore N. Vail Bronze Medal, one of the Bell System's most coveted awards, will be awarded to these two men who displayed quick and clear-minded citizenship which resulted in a life saved.

I know my colleagues in the House of Representatives would want to join in congratulating these two fine American citizens, Mr. Albert V. Peyus and Mr. Francis Warner of Jackson, Calif.

TRIBUTE TO THE HONORABLE
JOHN JUNK

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. ANDERSON of California. Mr. Speaker, the city of Carson, which is in my district, was incorporated just over 2 years ago and has adopted the commendable practice of honoring each of its past mayors with a testimonial dinner at the completion of their 1-year term of office.

Councilman John L. Junk, who finished his term as mayor this past May, will be honored by such a dinner August 8. Mr. Junk served as chairman of the Carson Citizens Committee for Incorporation in 1967 and 1968, the organization which led the successful campaign for formation of the city after several previous attempts had failed.

In recognition of his leadership in that campaign, the voters of Carson elected him to the initial City Council of the city of Carson with a vote tally close behind that of Councilman John A. Marbut who served as the city's first mayor. When Mr. Marbut completed his term as mayor in February 1969, Councilman Junk was selected by the City Council to take the post. Both men were re-elected to office during the Carson municipal election this year.

I would like to briefly outline for my fellow Members of the Congress the record of achievement which has led this young man to be honored by his fellow citizens in the city which he has helped bring into being.

Mr. Junk was born 34 years ago in Connellsville, Pa., a small community in a hilly region in the southwest portion of that State. As the eldest of three children, John learned to shoulder responsibility at an early age. He answered the call of responsibility when his country faced a national emergency during and immediately after the Korean conflict by enlisting in the Armed Forces, serving

with Army security for 3 years in Korea and in Washington, D.C.

While still in the Army, Mr. Junk met Nancy Brogneaux of Virginia and they were married soon after his discharge. John and Nancy Junk now have two charming daughters, Angela, 8, and Pamela, 6.

The Junks moved to California in 1954 and settled in their present home in 1965. John quickly became involved in the formation of the Leadership Homeowners Association in the then developing tract of homes where they live, later serving as president of that organization.

This was the start of his concern for the well-being of the community which, 3 years later, he was to help incorporate as the city of Carson. The drive for incorporation gained impetus as all homeowner groups in the area came to realize that only home rule could provide the careful attention to the problems of integrating their residential neighborhoods with surrounding industrial and commercial areas. Several unsuccessful attempts to make their concerns known to the county government increased their awareness of this need and, eventually, brought support for the incorporation movement from the Carson Chamber of Commerce, the Dominguez Chamber of Commerce, numerous industrial leaders, and other groups.

As previously noted, John Junk has twice been elected to the city council where he has directed his efforts toward serving the needs of the people of Carson—particularly the small homeowner.

He has been particularly active in the area of improving the city of Carson's park and recreation facilities and directed his energy toward obtaining a Parks in Cities grant under the open space program of the Department of Housing and Urban Development. This grant was approved earlier this month and will provide for purchase and development of two additional 8-acre parks—doubling the amount of park land now in use—to serve the 70,000 residents of Carson. I have been most pleased to work with John and other civic leaders of Carson in helping to obtain approval of this grant.

Another of the major problems facing the city of Carson—and indeed the entire Nation—is that of the deterioration of our environment. Councilman Junk has not contented himself with merely joining in the complaint over the pollution crisis. Instead, he and his fellow councilmen have recently appointed a seven-member environmental advisory commission to help the city council in developing positive answers to the problem and coordinating the city's activities with those of other governmental and private agencies.

A staff representative of the United Auto Workers, Mr. Junk is also vitally interested in improving the working conditions and assuring equal employment opportunities for all of the citizens of his city, State, and Nation. In this connection, he serves as secretary of the Aerospace Apprenticeship and Training Committee for the State of California; is a member of the Los Angeles County Man-

power and Development Training Advisory Committee; and, in 1966, was a member of the Civil Service Selection Board for the State of California.

He is also a member of the Los Angeles County District Attorney's Advisory Committee; the Legislative Committee of the California Contract Cities Association; and the Andrew Carnegie Junior High School Advisory Committee in Carson. Civic organizations of which he is a member include the Carson Lions Club, the Carson Chamber of Commerce, and the Carson Jaycees.

Mr. Speaker, I thank you for giving my colleagues in the House of Representatives this opportunity to join me and the citizens of Carson in saluting John Junk for his many services as mayor of that community.

PUBLICITY PROMPTS VIOLENT DISSENT

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. ZWACH. Mr. Speaker, there are a great many people in America, people learned in public relations and human reaction, who believe that if we did not focus the aura of publicity on violent dissent, that violence would soon fade away.

This was aptly demonstrated recently in Minneapolis, Minn., at a church convention where a couple disrobed and approached the communion table nude.

They were ignored, by the congregation, by the press, and by the television cameras. Except for a few editorials, no publicity was given to their stunt. They acted in vain. Whatever protest they were trying to make, it went unregistered.

Mr. Speaker, I think there is a lesson for all of us in this happening. At this point, I am inserting an editorial from the Litchfield Independent-Review in our Minnesota Sixth Congressional District, in the RECORD telling of the failure of this bizarre happening:

THIS COULD BE THE ANSWER

Too much publicity has been made over the sit-in, the demonstration, the confrontation. This is probably part of the reason this minority group participates in doing what they do. They get the headlines, they get opposition from the conservatives, they become some kind of a hero in a warped kind of way.

This is the fault of the Press, TV and Radio. These three medias are trying to sell their individual product. They do not have the future of our country at stake.

Last week there was a big effort to make a scene by two individuals who hoped to disrupt a state church meeting. The two "Goofs" who were the actors in the event surely must feel shame at the outcome. It was at a district meeting of a church group, meeting at the University of Minnesota. The church session was to be ended with a communion service which is fitting and proper. When the service began these two (who were not U of M students or probably not Lutherans) stripped down

and appeared at the communion table in the nude. There could be only one reason to do this, to create a riot, a panic or certainly a big problem.

Unfortunately for the two, there was no big problem, they were not thrown out, they were accepted as if they were appearing at the communion table as the more than 800 other communicants.

It backfired, they must really have felt foolish and stupid. This type of person is in the minority and if they were to be treated as a minority and not receive headlines and publicity perhaps they would soon dwindle to where they belong, in a forgotten, not wanted group.

—Litchfield Independent Review.

VFW NATIONAL COMMANDER IN CHIEF RAYMOND A. GALLAGHER LEADS CAPTIVE NATIONS WEEK IN KENOSHA, WIS.

HON. HENRY C. SCHADEBERG

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. SCHADEBERG. Mr. Speaker, in recent years it has been a personal honor to me to be included in a Wisconsin Lithuanian Day ceremony to commemorate Captive Nations Week.

This event, set aside by congressional proclamation to center the attention of the entire world on the cruel fate of oppressed peoples living under the Soviet subjugation, is held annually in Kenosha, Wis., in the First Congressional District which I represent.

This year's program on Sunday, July 19, held at the St. Therese's Parish Park, was highlighted by a magnificent speech by National Commander Raymond A. Gallagher of the Veterans of Foreign Wars. Eugene Bartkus, president of the Lithuanian American Council, Inc., Chicago, also shared the platform.

The Wisconsin Lithuanian Day began with solemn high masses at St. Peter's Church, Kenosha; St. Gabriel's Church, Milwaukee; St. Casimir's, Racine, and St. Therese's, Kenosha. There were special religious services in other churches and synagogues throughout the State.

The program included Lithuanian foods, music by the Bristol band, a flag parade with a VFW contingent, Boy and Girl Scouts, labor union representatives, and civic organizations.

Many of those in the audience at this program were moved by the words of VFW Commander in Chief Gallagher as he related how the Communists continue to deny freedom as they pursue their dream of world domination.

On this occasion, Mr. Speaker, I also expressed my deep concern over the captive status of these countries.

However, the keen insight of Commander Gallagher, a remarkable leader of a great organization of overseas warriors, is worthy of being placed in the RECORD for the attention of my colleagues with the hope that the time will soon come when liberty and self-determination will again be enjoyed by the people of Lithuania, Poland, Czechoslovakia,

Hungary, Latvia, Estonia, Bulgaria, Rumania, and other countries.

The text follows:

SPEECH BY VFW NATIONAL COMMANDER IN CHIEF RAYMOND GALLAGHER

It is indeed an honor for me to be in Wisconsin to mark the 11th anniversary of Captive Nations Week, for Wisconsin is the home of former Congressman Charles Kersten. It was through the Kersten Committee of the early 1950s that Communist treachery which led to the enslavement of more than a billion of mankind was exposed. Through his efforts the American people were alerted to the horrors of Red oppression from the Elbe to the Pacific. It was also Charles Kersten who detected the parallel between the assassination of President John F. Kennedy in 1963 and the murders of the Ukrainian leaders in Munich, Rebet in 1957, and Bandera in 1959. As an observer at the trial in Germany of the Soviet agent Bohdan Stashinsky, the convicted killer of Rebet and Bandera, Charles Kersten warned that the Kremlin planned more murders.

There is sadness, too, in coming to Wisconsin. Within the last year one of the towering leaders in the worldwide movement for freedom for all captive peoples, Dr. Roman Smal-Stocki (Smal-Stotski), was taken from our midst. For years he taught at Marquette University and more recently at the Catholic University in Washington. A leader after World War I in his own Ukraine's tragic struggle for freedom, Dr. Smal-Stocki devoted the rest of his life to the right of self-determination and liberty for all men and nations. Without his efforts it is unlikely that the statue of Taras Shevchenko, the poet laureate of Ukraine, would ever have been erected in Washington or unveiled by former President Eisenhower in June 1964, as 100,000 persons joined in tribute to the bard who more than a century ago called for another George Washington to free the victims of Russian oppression.

Two other deaths in recent months have saddened us as well. They were of former Congressman Alvin M. Bentley, of Michigan, and Federal Judge Thaddeus M. Machrowicz (Mackrohwicz), of Detroit. Both of these men served valiantly at the side of Charles Kersten as members of his committee.

One of Judge Machrowicz's monumental contributions to the committee was the exposure of the Soviet massacre of 15,000 Polish officers in World War II at the Katyn Forest. These men—all prisoners of war—were killed simply as a class, intellectuals and professional men who would have stood in the Communists' way when they took over Poland.

These three, Dr. Roman Smal-Stocki, Alvin M. Bentley and Thaddeus M. Machrowicz, will be long remembered for their devotion to the cause of freedom.

To you people gathered here today, there is little reason to explain the word freedom. You, having lived under Communist and Nazi oppression or even under other forms of political repression in your native lands, know full well its meaning and its blessings. Far better, I am sure, than most Americans at this period of history can or ever will and I pray that they will never have to undergo your experiences in order to appreciate fully what freedom is.

Unfortunately too many of our people, especially the young, have no understanding of freedom, or, as you do, what it means to be without it—utterly bereft of liberty of any kind. They have taken the cup of freedom from the lips of men who have fought to preserve it and we can only hope that when the time comes for many of our rebellious youth to "pay their dues," they will not be found wanting. If they are, there will be little

hope for civilization as it is known to free men.

I am sure that if any of our young people were to ask a Czech, a Slovak, a Latvian, a Lithuanian, a Ukrainian, a Hungarian, a Pole or any of the others behind the Iron Curtain what freedom means, he would be stared at in shocked amazement.

The people behind the Iron Curtain know what freedom is, even if they have seen precious little of it in recent years. They know, too, that the only thing standing between their Communist rulers and the nearest lamp post is the force of Soviet arms. This has been proven in Czechoslovakia, East Germany, Poland, Hungary and in countless places inside the Soviet Union itself.

Each year since 1959, according to Congressional resolution, the President has set aside a week in July as Captive Nations Week to focus attention on the denial of freedom to men and nations to determine for themselves their own destiny. This condition exists from the Elbe River to the Pacific Ocean and reaches almost to our own shores to Cuba 90 miles off the coast of Florida.

More than a billion human beings are being held prisoner by godless, materialistic Communism, appropriated as a doctrine by the Kremlin to fulfill the ancient Russian dream of world domination. This goal motivated the czars who looked on Moscow as the "third and last Rome" in their expansionist frenzy no less than it did Trotsky, Lenin, Stalin, Malenkov, Bulganin, Khrushchev and now Brezhnev.

The captivity of this vast segment of mankind is an ideal example of the "domino theory" which Vietnam War doves scoff at so knowingly when it is applied to Southeast Asia. But in truth after the Bolshevik Revolution, which overthrew the liberal but great Russian Chauvinist regime of Alexander Kerensky, nations which had become independent of Russia and whose independence was recognized by the Bolsheviks were reconquered one by one. From 1920 to 1924 the Communists seized all of the non-Russian peoples which the old czarist empire had grabbed except Finland, Estonia, Latvia and Lithuania.

In these last four, as in all the others, there were Red invasions and revolutions, but they failed. However, the Russians again tried to seize Finland in the bloody Winter War of 1939-40 and were rebuffed. The unhappy Baltic states of Estonia, Latvia and Lithuania were forcibly incorporated into the Soviet Union early in World War II and hundreds of thousands of their people shipped to Siberia, many never to return and others never to be heard of again. It is to the credit of the United States that this country has never recognized the seizure of the Baltic states and their representatives in Washington are still accorded the same rights as any other diplomats.

One of the most tragic aspects of the denial of liberty to the captive nations is that for the most part they represent ancient civilizations and cultures, far beyond anything the Muscovites ever achieved on their own. Compare any of the Soviets' captives with Tonga, the Pacific island freed a few weeks ago by the British.

Those nations of Eastern Europe which were to come under the Communist heel, but allowed to remain outside the Soviet Union as "people's republics," had had earlier experience with the Communists. Poles, Ukrainians and Romanians under Pilsudski 50 years ago next month threw back the Red hordes at the Vistula and saved Europe for 25 years. The Hungarians overthrew the Communist regime of Bela Kun (Baya Coon) only, like the Poles, to have Red rule imposed a quarter century later. Czechoslovakia, formed after World War I, had a brief encounter with the Communists

in 1920, but this "republic of Presov" was crushed. Liberated largely by the Soviets, though the Americans freed the extreme western end, Czechoslovakia did not come under total Soviet Communist rule until 1948 in an outright seizure of power.

In Yugoslavia the Communists capitalized on the vacuum created by the fighting between the Serbs and Croats, two heroic peoples with a long history of achievement but who were tragic pawns in great power politics. Bulgaria and Romania were victims of sheer Communist brute force. Much of what is now East Germany was taken originally by American forces, but literally handed over to the Russians as their zone of occupation. China's fate was sealed at Yalta when the Soviets agreed to enter the war against Japan. Now, in Southeast Asia American manpower and that of Asian allies are struggling to prevent one of freedom's last footholds on the Asian continent from falling victim to Communist aggression.

Thus, from the very beginning of Communist rule in Russia, that devilish system showed that it will never halt its drive for power. Stopped in 1920, the Russians resumed their drive to the west in World War II and ever since then they have been fanning out from their base in Moscow.

Too often we in the West do not know how to respond to their moves. When the Russians wave an olive branch, our leaders frequently react as if the millennium is at hand. First, there was disengagement prompted by George Kennan and followed by the specious Rapacki (Rapotski) plan for a nuclear free zone in Europe. Then came detente, another fancy word for surrender. And now the code word for giving up is convergence. All of these have been greeted with huzzahs by the self-appointed "intellectual community" that would be the first to the wall if any of these tricks succeeded.

The enemy is like the mythical hydra. You cut off its head and a new and even more lethal one grows in its place.

There is one spot in which the Reds are the most vulnerable, however. This is among the non-Russian peoples of the Soviet Union—who constitute the majority of the USSR's population now. These are the ones who have been subjected to generations of cultural genocide, forced Russification and the deportation of their populations to the "virgin lands." They are the ones who are the Russians' Achilles heel. An example of this was Khrushchev's violent reaction to the first Captive Nations Resolution in his confrontation with then Vice President Nixon at the trade fair in Moscow in 1959. Most recently was the expulsion of the Washington Post Moscow correspondent Anatole Shub for writing about the discontent of the nationalities in the USSR.

So evident was the Russification of Ukrainian schools that three years ago a group of Canadian Communists who saw the situation for themselves objected so vigorously that the Russians were forced to make changes in the Ukrainian school system.

Unsure of their minorities, the Soviets make sure that their troops are thoroughly integrated to prevent a preponderance of any nationality group in any one unit. At the same time, pains are taken to preclude the stationing of many Latvians in Latvia, Armenians in Armenia, Georgians in Georgia and so forth. A recent Soviet Army film went to great pains to feature troops of non-Russian origin to give false impression of unity.

Unhappily, after all these years, the American people and most of the West fail to realize that the Soviet Union is composed of different peoples and as I mentioned less than half are Russians. For the most part Westerners tend to lump them

all under the heading Russian. For one thing it is easier, but it is also an error that could prove fatal for us.

Failure to include the disaffected nationalities inside the Soviet Union in any of our assessments of its strengths and weaknesses would be the same as the Russians or the North Vietnamese ignoring the potential for destruction inherent in a riot or disruption in an American city or on a college campus. And you may rest assured that if they are not directly responsible, they certainly reap the benefits.

Some of our ignorance of the captive peoples can be attributed to the American press. It is simpler for a copy reader to write Russian in a headline if the story is dated Moscow than to properly identify the subject. How often, for example, was Shevchenko referred to in headlines a few years ago as "Russian Poet?" Such an identification is not only inaccurate but an insult to this Ukrainian hero who devoted his entire life to opposing the Russians.

Another case in point is the trials a few years ago of the four or five writers in Leningrad—all Russians. But how much space has been devoted to the more than 300 Ukrainian intellectuals, the "prisoners of conscience," at least one of whom has been in a Mordovian camp for 25 years?

By contrast, whenever a wild Soviet accusation of "war criminal" is lodged against a former displaced person in the United States or another Western country, he is always identified as a Latvian, Estonian, Lithuanian, Ukrainian or whatever. Whenever it's bad, the national origin is made clear. When it's good, the individual is Russian. Another instance of this was the publication a few years ago of a virulently anti-Semitic book reminiscent of Julius Streicher's fulminations in his prime. In all the commentaries on it, great pains were taken to point out it was published by the Ukrainian Academy of Science, as if anything of this seriousness could be printed without the authority of Moscow.

Another trick to attempt discrediting the captive peoples is to single out the Vlasov army formed by the Nazis from Soviet prisoners to fight the Communists. The implication was that somehow these Slavs and others the Nazis considered subhumans had been imbued with the Hitlerian philosophy of the master race. No thought is given to the fact that these men sincerely wanted to free their homelands of Communist rule. No mention is ever made of the Ukrainian Insurgent Army that fought the Nazis and Communists for nine years or of the guerrillas who did the same thing in the Baltic States. One of the greatest blows the Communists suffered was the wholesale desertion of masses of troops in the early stages of the German invasion, coupled with the support the Nazis received from the people who greeted them with bread and salt as liberators.

Did the Russians or the Communists learn anything from this experience? There is no indication that they did. In fact, if anything, they simply answered by making their system even harsher. Whole peoples—the Chechen-Ingush, for example, were wiped out, an instance of genocide still unpunished. After the death of Stalin, much was made of the crimes of his era, as if his successors somehow would emerge as moderate "social reformers" aghast at the terror at the root of their system.

Were there any substantive changes? Of course not. The reality is that the situation has become so bad that a recent writer, Andrei Amalrik (jailed for expressing his opinion, incidentally) asked whether the Soviets will survive until 1984. George Orwell's year of Big Brother. Last year Tartar leaders were imprisoned for demanding their rights as Soviet citizens and one of their

supporters, the retired General Pyotr (Pecooter) Grigorenko, was sent off again to an insane asylum for encouraging their cause. What a commentary on a so-called civilized country—demand your rights as a citizen and you are a lunatic.

The Soviet Union itself is no monolithic force, but a gigantic Potemkin Village implanted in the world's heartland and like a Potemkin Village shiny on the surface but corroded and rotten inside.

It is up to you people to maintain the struggle to expose the true nature of Russian Communism and for all of us in the West to work toward the day when all men will be free to live under a code of laws that will assume every nation its right to liberty and self-determination.

GOVERNORS OF APPALACHIAN STATES RECOMMEND EXTENSION OF APPALACHIAN PROGRAM TO PRESIDENT

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. EVINS of Tennessee. Mr. Speaker, with Congress considering the renewal and extension of the important and vital Appalachian Regional Development program, the Governors of the 13 Appalachian States recently urged President Nixon to support the extension of the Appalachian Regional Commission and program.

The appeal was bipartisan, coming—as it did—from seven Democratic and six Republican Governors of the Appalachian States. All agreed on the importance of this program of supplemental assistance—and the need for its continuance.

Because of the interest of my colleagues and the American people in this most important program, I place in the RECORD my recent newsletter, "Capitol Comments," which outlines the accomplishments and achievements, as well as the continuing need, for this great Federal-State program and partnership for progress.

The newsletter follows:

(By JOE L. EVINS, MEMBER OF CONGRESS)

GOVERNORS OF APPALACHIAN STATES RECOMMEND EXTENSION OF APPALACHIAN PROGRAM TO PRESIDENT

As the Congress considers renewal and extension of the Appalachian Regional Development Program, President Nixon this week flew to Louisville, Kentucky, to meet with Governors of the 13 Appalachian states. These Governors unanimously urged the extension of the Appalachian Regional Commission and program. The Commission and all programs authorized by the Appalachian Development Act are scheduled to expire June 30, 1971, with the exception of the highway program which has one additional year of authorization.

The appeal to President Nixon for extension of the program was bi-partisan—seven of the Appalachian Governors are Democrat and six Republican. Policy officials of the Administration are evaluating the program to determine its effectiveness and whether, in their view, the program should be continued, expanded or reduced.

As Chairman of the Subcommittee on Independent Offices Appropriations, which is concerned with funding for the Appalachian program, it is certainly my view that this program has proved its worth and value in its contribution to the growth and progress of our District, State and the entire Appalachian area—and that it should be continued, expanded and strengthened. In our Appropriations Committee Report, we made these observations and comments:

"The program for Appalachia is a joint Federal-State effort to achieve common solutions to regional development. This program has proven to be an excellent example of Federal-State cooperation. The initiative for making proposals is with the State governments and . . . the achievements and beneficial results of the Appalachian program are now beginning to show in the programs of trade schools, hospitals, health centers and in other areas."

Testimony before our Committee by Director John Waters of Tennessee—the capable and energetic Chairman of the Commission—showed that, with the assistance of Appalachian supplemental grants totaling more than \$140 million, accomplishments include the following:

Construction of 184 vocational trade schools.

Completion of 202 health centers, hospitals, nursing homes and other health facilities.

Construction of 145 buildings at colleges and universities.

The installation of 105 sewage treatment facilities.

The building of 72 libraries, 43 airports and 24 water and sewer systems, among other vital and important projects—a total of 819 projects—all developed in Appalachia.

This program is locally and state oriented and controlled. The Congress provides the appropriations—the local governments recommended projects to the Governor and his recommendation is necessary to proceed with projects. Our Committee on Appropriations has approved a total of \$291,500,000 for the Appalachian program for next year which should contribute to the highest level of development in our area in many years.

BIG SPENDERS IN CONGRESS

HON. FRANK T. BOW

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. BOW. Mr. Speaker, it appears that the big spenders are back in the saddle again and they are determined to spend their way into a victory at the polls in November, regardless of the cost to the country in inflation and debt.

Every big spender in the Congress has his own pet project for a select group of people, a project for which the American people will pick up the bill in higher prices.

I think it is well that the American people be warned that the big spender of today is the cause of higher taxes tomorrow—after the election.

Mr. Speaker, I believe it is time for Congress to begin to act responsibly in fiscal matters.

Either we should live within the President's budget or we should raise taxes now to pay for those programs that we think are necessary but that cost more money.

The people already are paying too much in high prices and too much in taxes. It is time to give them a break. It is time to begin to remember the welfare of all the people instead of just the special interest groups.

VOLUNTEER ARMY LEGISLATION INTRODUCED IN THE HOUSE BY 61 MEMBERS

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. STEIGER of Wisconsin. Mr. Speaker, the gentleman from New York (Mr. LOWENSTEIN) and I have joined with 59 of our colleagues in introducing legislation to establish a Volunteer Army based on the recommendations of the Gates Commission.

The bill provides that no inductions will be made after June 30, 1971, termination of the present Selective Service Act.

The Gates Commission found that an all-volunteer Army, first, would cause only a small budget increase, and would be cheaper in real economic terms; second, could be achieved without impairing the Nation's ability to meet existing and anticipated troop level requirements; third, would be adequate to defend the Nation, even against a sudden surprise attack; fourth, would not result in a more militarized society; and fifth, would not vary greatly in ethnic, racial, or economic makeup from the present system.

The Gates Commission was established by President Nixon to "develop a comprehensive plan for eliminating conscription and moving toward an all-volunteer Armed Force." It was headed by former Secretary of Defense Thomas Gates.

This large bipartisan group of sponsors reflects the growing support for ending compulsory military service and establishing a Volunteer Army. Our bill translates into legislation the findings of the Gates Commission which completed the most extensive and objective study of the volunteer military concept.

Representative LOWENSTEIN said:

Implementation of the Commission's recommendations, after its thorough study debunked the myths that have sprung up about the volunteer army, is one of the nation's first priorities. We expect that the diversity of ideology and geography among the co-sponsors will prompt immediate hearings so that Congress will have the opportunity to eliminate the draft with all its inequities.

The bill that Representatives STEIGER and LOWENSTEIN introduced is identical to the one Senators HATFIELD, McGOVERN, GOLDWATER, and nine other Senators introduced 2 weeks ago as an amendment to the military appropriations bill. Among the major provisions of the measure are the following:

1. Institute a basic pay increase of approximately 50% for the enlisted ranks and approximately 25% for officers.

2. Stop inductions July 7, 1971, the termination date of the Selective Service Act.

3. Have continued registration on a limited basis, the draft to be reinstated at the request of the President and the joint resolution of the Senate and House of Representatives.

4. Direct the Secretary of Defense to:

(a) Improve and expand utilization of civilian personnel;

(b) Improve and expand specialist education programs;

(c) Improve and expand officer training programs;

(d) Improve and expand recruiting programs;

(e) Provide more effective recruiting programs;

(f) Formulate plans for maximum use of civilian medical facilities including a medical insurance program;

(g) Formulate a new pay structure providing:

(1) Salary schedules, combining basic pay and quarters and subsistence allowances;

(2) Cash contributions to a retirement system similar to Federal civilian employees;

5. Provide for a reserve officer training corps scholarship increase.

6. Increase combat pay from \$65 to \$200.

7. Increase special pay for physicians, dentists and veterinarians.

(Total budgetary cost: \$3.24 billion.)

The complete list of sponsors follows:

COSPONSORS: VOLUNTARY MILITARY MANPOWER PROCUREMENT ACT OF 1970

William A. Steiger, Republican, of Wisconsin, Allard K. Lowenstein, Democrat, of New York, Joseph P. Addabbo, Democrat, of New York, John B. Anderson, Republican, of Illinois, William R. Anderson, Democrat, of Tennessee, Alphonzo Bell, Republican, of California, Edward G. Blester, Jr., Republican, of Pennsylvania, William S. Broomfield, Republican, of Michigan, George E. Brown, Jr., Democrat, of California, George Bush, Republican, of Texas, Tim Lee Carter, Republican, of Kentucky, Shirley Chisholm, Democrat, of New York, Don H. Clausen, Republican, of California, William Clay, Democrat, of Missouri, James C. Cleveland, Republican, of New Hampshire, Silvio O. Conte, Republican, of Massachusetts, John Conyers, Jr., Democrat, of Michigan, William O. Cowger, Republican, of Kentucky, John J. Duncan, Republican, of Tennessee, Don Edwards, Democrat, of California, Marvin L. Esch, Republican, of Michigan, Leonard Farbstein, Democrat, of New York, Paul Findley, Republican, of Illinois, Hamilton Fish, Jr., Republican, of New York, Samuel N. Friedel, Democrat, of Maryland, Edith Green, Democrat, of Oregon, Charles S. Gubser, Republican, of California, Gilbert Gude, Republican, of Maryland, Seymour Halpern, Republican, of New York, Michael J. Harrington, Democrat, of Massachusetts, James F. Hastings, Republican, of New York, Ken Hechler, Democrat, of West Virginia, Margaret M. Heckler, Republican, of Massachusetts, Robert L. Leggett, Democrat, of California, Sherman P. Lloyd, Republican, of Utah, Donald E. Lukens, Republican, of Ohio, Joseph M. McDade, Republican, of Pennsylvania, Spark M. Matsunaga, Democrat, of Hawaii, Patsy T. Mink, Democrat, of Hawaii, F. Bradford Morse, Republican, of Massachusetts, Alvin E. O'Konski, Republican, of Wisconsin, Richard L. Ottinger, Democrat, of New York, Jerry L. Pettis, Republican, of California, Albert H. Quie, Republican, of Minnesota, Tom Rallsback, Republican, of Illinois, Howard W. Robison, Republican, of New York, Benjamin S. Rosenthal, Democrat, of New York, Edward R. Roybal, Democrat, of California, William F. Ryan, Democrat, of New York, Fred Schwengel, Republican, of Iowa, Garner E. Shriver, Republican, of Kansas, Henry P. Smith, III, Republican, of New York, M. G. Snyder, Republican, of Kentucky,

Robert T. Stafford, Republican, of Vermont, J. William Stanton, Republican, of Ohio, Louis Stokes, Democrat, of Ohio, Robert Taft, Jr., Republican, of Ohio, Morris K. Udall, Democrat, of Arizona, Charles A. Vanik, Democrat, of Ohio, William B. Widnall, Republican, of New Jersey, and Charles H. Wilson, Democrat, of California.

A BILL TO IMPOSE AN EXCESS WAR PROFITS TAX ON CORPORATE PROFITS RESULTING DIRECTLY FROM THE INDOCHINESE WAR

HON. MANUEL LUJAN, JR.

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. LUJAN. Mr. Speaker, today I am introducing a bill to impose an excess war profits tax on corporate profits that result directly from the effects of the Indochinese war on the American economy.

It is patently unjust for a nation to conscript its young men into its service to fight a war, while allowing its corporations to amass extraordinary profits attributable to the distortions of a wartime economy. In order to eliminate such injustice it is proposed that the Congress enact legislation to tax excess profits. Thus, the aim of my bill is to impose an additional levy on these profits.

There is substantial precedent for enacting this legislation. In both World Wars, excess profits taxes were enacted to enable a more complete mobilization of the Nation's productive capacity into the national defense effort. However, there is also precedent for taxing excess profits during an undeclared war of limited objectives. In 1950, Congress passed an equally strong excess profits tax within 6 months of the beginning of the hostilities in Korea.

My proposed bill imposes on all corporations a tax of 37 percent on the amount of their taxable income which exceeds their "normal nonwartime" taxable income. This 37 percent tax will be added to the normal 48 percent corporate tax rate, thus creating an effective rate of 85 percent on all excess war profits.

As it is the aim of my bill to conscript the productive capacities of our Nation's corporations during the period of military operations in Indochina, as the Nation conscripts its young men for the same purpose, this bill is designed to take effect as of January 1, 1970 and to continue until our military operations in Indochina are effectively concluded. Thus my bill provides that the tax will be applied during the "present emergency period." That emergency period includes all taxable years beginning after December 31, 1969, and it shall continue until such time as the actual American troop commitment in Vietnam, Laos, Cambodia, and Thailand is less than 50,000, including offshore naval operations.

In order that only those corporate profits be taxed which bear a reasonable relation to our present military operations, the bill allows a special deduction

from a corporation's "taxable income" to determine its "excess profits taxable income." Thus, the excess profits deduction is designed to exempt from the excess profits tax "normal" profits for the particular corporation. This deduction may be calculated in either of two ways:

(a) The base period method.—The first method of determining the excess profits deduction is to deem profits earned during a period immediately preceding the period of increased military activity as "normal." This method determines the taxable income during a nonemergency base period, and adjusts that income to eliminate any particular abnormalities that occurred during the "base period." The average adjusted taxable income for the base period then becomes the excess profits deduction. The bill sets the base period as beginning January 1, 1961 and ending December 31, 1964. It is planned that this method of determining the excess profits deduction shall be the predominant one used, as it was in past acts.

(b) The return on invested capital method.—In order to assure that no corporation is forced to do business without the potential of receiving a reasonable return on its invested capital, an alternative method of calculating the excess profits deduction is provided. The corporation may choose such method if it allows a great deduction. Under the return-on-capital method, a corporation is allowed to receive a minimum return on its invested capital without excess profits taxation. This alternative guarantees that corporations whose taxable incomes during the base period (1961-1964) were quite low will not be forced to pay taxes which may appear to be confiscatory. Furthermore this alternative will also make it possible to tax those corporations that were not in existence during part or all of the base period. This bill allows the following return:

Eight percent on the first \$5 million of invested capital;

Seven percent on the next \$5 million of invested capital;

Six percent on the next \$190 million of invested capital; and

Five percent on invested capital exceeding \$200 million.

In addition, the bill also fixes the minimum excess profits deduction, regardless of the method of calculation, at \$25,000, thus excepting from the levy small or marginally profitable corporations.

In a major shift from historical precedent, my bill provides that all moneys collected from the imposition of the excess profits tax must be spent to fulfill the stated national commitment to build a vast number of new housing units, and to improve the quality of medical care and education in the United States. As these goals have never been approached in the past due to lack of available resources, this bill may begin to enact a more sensible set of national priorities. This earmarking is necessary to distinguish this bill from an attempt at complete mobilization of the economy for war production.

A further dividend of this bill is that the additional tax-imposed should begin to alleviate oppressive inflation. Historically, excess profits taxes have not been passed on to consumers, probably due to the high rate of taxation imposed which makes it impracticable for a corporation to recover newly taxed profits by raising its prices. The earmarking of the funds collected for domestic uses protects against an increase in unemployment. Thus, this bill will not only spread the burden of waging war more evenly throughout our society, but it will also help stabilize our economy in this most difficult time.

INDIANA DUNES NATIONAL LAKE-SHORE PROJECT: MORE DESTRUCTION THAN CONSERVATION?

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. LANDGREBE. Mr. Speaker, I wish to insert in the RECORD a "Letter to the Editor" which appeared in the Chicago Tribune of July 19, 1970, written by Mrs. Stanley Florek, Jr., of Beverly Shores, Ind. Mrs. Florek comments on her dealings with the National Park Service regarding the acquisition of her land for the Indiana Dunes National Lakeshore. She is just one among many residents of this area who, while they support the efforts to curb pollution and conserve the natural beauty, are very disturbed that the plans of the Park Service will actually result in more destruction than conservation.

My bill, H.R. 11084, which attempts to deal with this situation is now before the Interior Committee, but has yet to be scheduled for any hearings. As everyone can understand from reading Mrs. Florek's letter, the problem is a serious one and I am hopeful that the Interior Committee will give the legislation I have introduced its prompt attention and consideration. Eight hundred homes are at stake as well as the wasteful expenditure of millions of dollars of taxpayers' money.

BEVERLY SHORES, IND.—Regarding "The Fight to Divvy Up the Dunes" (by A. A. Dornfeld, May 31): My home will be condemned in a few months if I refuse to sign a document giving the federal government a free option to purchase it. My town will lose 80 per cent of its tax base when the government devours all but a small portion of it. The Lakeshore Advisory Commission set up by the government to deal with local problems holds secret meetings from which the public and press are barred. The cost of land acquisition will be closer to \$60 million than the \$28 million originally authorized by Congress; industrial and commercial concerns have received a majority of the funds.

The Save the Dunes Council, propaganda tool of the National Park Service, would have your readers believe that setting up a massive bathing beach and forest preserve expected to serve thousands of people a day will preserve the natural state of the dunes. Gar-

bage! Knee-deep beer cans and trash baskets as far as the eye can see are hardly natural wonders.

I support efforts to curb pollution and preserve natural beauty, but I, among other Northern Indiana residents, will fight the self-appointed conservationists, the Park Service and anyone else who tries to force us to sell our homes to be demolished under the pretense of preserving and conserving. The battle has just begun.

Mrs. STANLEY FLOREK, JR.

AIRPORT AND AIRWAY DEVELOPMENT ACT OF 1970 INCLUDED A "HIDDEN TAX"

HON. ROBERT O. TIERNAN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. TIERNAN. Mr. Speaker, when the Airport and Airway Development Act of 1970 passed the House after coming from conference, it included a "hidden tax" section which makes it unlawful for airline ticket agents or travel agents to write the amount of tax on tickets.

I have introduced a bill which would repeal this section of the act. In this electronic and modern age, the consumer needs more protection than ever before. The inclusion of the "hidden tax" provision is an affront to all honest Americans.

Tuesday's Christian Science Monitor carried an article which stated that airline ticket agents are as unhappy with this provision as consumers are. At this point in the RECORD I would like to include this article:

LONG DEFENDS AIR-TICKET OMISSION: SENATOR ACCUSED OF PLAYING 'HIDE A TAX'

(By Robert P. Hey, staff correspondent of The Christian Science Monitor)

Flying to that vacation hideaway? If you haven't been there in a while, take along a few extra pennies when you go to buy your ticket. It'll cost you a little more—the tax you pay when you buy domestic plane tickets went up July 1 from 5 to 8 percent.

But, you can't tell that from looking at your ticket. It just gives the total amount you have to pay—doesn't list the amount of the tax. If you want to know how much it is, you have to ask.

And therein lies the nub of a little controversy that's whirling around Washington these days. It promises to get bigger before it slows down.

It's principally over the fact that the amount of the tax cannot be listed on the face of the ticket a passenger buys—as it used to be routinely. There's even a \$100 fine if a ticket agent lists the amount.

Travel agents, some passengers, and some members of Congress charge Sen. Russell B. Long, architect of this feature of the tax, with having played "hideatix" from the consumer. Senator Long is principal architect of the provision that the tax amount cannot be written on the ticket.

CONSUMER AID STRESSED

Senator Long flatly denies any nefarious motive. Rather, he says, it is he who is the genuine friend of the consumer. In the first place, he explains, the public only cares about the total cost—and formerly airline prices frequently were advertised without

adding tax cost. Now the total cost must be advertised, including but not itemizing the tax.

Secondly, he says, the procedure will shorten lines at ticket counters. His reasoning is that lines in part have resulted from the fact that formerly ticket agents had to write three figures on every ticket—airline price, tax, and total. Now they only write one figure—the total, which he says will help speed the ticketing process.

Airline ticket agents put this down as Louisiana hogwash. "It simply won't make any real difference" insists one graying ticket agent, as two hovering colleagues nod vigorous assent. "Won't save hardly any time." And, he says, some passengers ask about the amount of tax, which takes time to explain.

BILLS SEEK TAX DETAILS

Besides, he says, sometime after the passenger has taken his ticket and left, for the airlines accounting department the agent must laboriously break down the total cost into airline fare and tax, and write this information on the copy of the ticket which the airline retains. Thus the new procedure is not an agent's idea of the ideal.

Several representatives and one senator have introduced bills that would permit airlines again to write the amount of tax on each ticket. One is Rep. Samuel S. Stratton, a New York Democrat, who explains that Congress was trying to hide from the people the amount of taxes we are asking them to pay.

"Nothing could be more disruptive of confidence in our government procedure. After all, this is an age of truth-in-lending. Surely we cannot now try to enjoin similar candor as far as taxation is concerned."

This is the same point the letter-writing public has been making caustically to various congressmen.

Nevertheless, Capitol Hill observers do not expect these bills to be passed this year, with Congress facing so much undone major work. Besides which, many congressmen face a November election which traditionally makes them itchy to hit the campaign trail without prolonging their Washington stay by taking up bills near the end of summer that they don't consider major.

METHOD CRITICIZED

One reason there's so much suspicion of congressional motives is the method by which this decision was reached. Actually it is only one small part of a very large bill, which provides federal money to expand and modernize airports and airport equipment (the tax raise provides some of this money.) There was much congressional discussion over other aspects of the bill when it was being considered in Congress.

During discussion the bill did not contain the present section which makes it unlawful for airline ticket agents or travel agents to write the amount of tax on tickets. (They may, however, tell customers the tax amount.)

That section was added when a small number of senators and representatives held the usual conference to reach a compromise between the differing versions of the bill passed by the two houses of Congress. The conferences are private, not public. Senator Long, who led the Senate conferees, said this section was added during the course of reaching that compromise.

When the compromise version of the bill returned to the House and Senate for final approval the attention of most congressmen and their aides was focused on other aspects of the complex measure.

"To be honest it just slipped by me," ruefully admits a top aide to one senator. "When the bill came back from conference, and I scrutinized it for my senator, I didn't see

this part. That's why he didn't object to it."

But some members of Congress are objecting now. So are travel agents, who say it makes their work harder, and their passenger-clients madder. Some passengers are complaining to Congress, too. Airline ticket agents say it doesn't make any real difference to them—or, really, to the passengers.

As for the airlines themselves, they're basically happy with the bill because other sections provide money for airport expansion. "Besides," says one congressional source, "they've got more and bigger problems to worry about than this . . . and it doesn't actually hurt them in any grand way."

Consumer issues are politically popular nowadays. Some people are complaining about what they call this "hidden" tax. And with elections coming up in November, the tempo of the issue seems more likely to pick up than slow down.

PRISONERS' WIVES SHARE ENDLESS WAIT

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. SHRIVER. Mr. Speaker, the record of North Vietnam's treatment of U.S. POW's is indeed sad. The North Vietnamese authorities have refused to identify the prisoners they hold. Only a limited minority of those men known by the U.S. Government to have been captured have been allowed to communicate with the outside world. Mail even from this small minority has been infrequent and irregular. The sick and the wounded have not been repatriated, nor have they been identified. Even the minimum protection that would be afforded by inspection of POW facilities by an impartial international body has been denied.

From the reports of the few men actually released by North Vietnam and from other sources has come disturbing evidence that prisoners are being deprived of adequate medical care and diets and that, in many instances, they have been subjected to physical and mental torture.

In North Vietnam the International Committee of the Red Cross has so far had limited success; American POW's cannot be even visited by that organization. On the other hand, the ICRC is represented in Saigon and the delegates are able to visit all prisoner-of-war camps. They also regularly receive nominal rolls of these prisoners.

In the face of such international criticism there have been few breaks in the silence of Hanoi. Hanoi has asserted that our men held as prisoners are war criminals, apparently on the theory that any attacks against North Vietnam or Vietcong forces or facilities are criminal acts and that all military personnel involved in such attacks are criminals. Such assertions are patently absurd. Our men are not war criminals. Moreover, the Geneva conventions and modern international humanitarian law reject any suggestion that the protection of individual

war victims, whether soldiers or civilians, is dependent upon moral or legal judgments about the cause for which their government is fighting. The law is there to protect all the victims of war on both sides. All countries have an interest in seeing that it is respected.

The Geneva convention imposes upon all combatant powers the obligation to treat military personnel made helpless by their captivity in accordance with a single objective and verifiable standard. The failure to treat any prisoner of war, wherever he may be, in accordance with common standards of decency, is an affront to all who claim the mantle of civilization.

We must not forget these brave Americans, and their loved ones. It is essential that our new chief negotiator at the Paris talks, Ambassador Bruce, continue our Government's efforts to obtain the humane treatment and prompt release of those Americans who are held as prisoners of war.

Under the leave to extend my remarks in the RECORD, I include the following article written by Bob Jordan, staff writer for the Wichita, Kans., Eagle, which effectively describes the anxieties and uncertainties which confront the wives and families of those Americans who are prisoners of war or missing in action. The article follows:

PRISONERS' WIVES SHARE ENDLESS WAIT

(By Bob Jordan, Eagle Staff Writer)

("You have to live with hope, and then if the worst comes, you can start all over again," says Mrs. Neal Oynum, Salina, Kan. "But if I had to wait five years to know that some day he'll come through that door, it would be like the next 24 hours.")

For the wives and families of nearly 1,500 Americans missing in action in the Vietnam war, the opposite of heaven isn't hell, but limbo.

Some women have not heard from their husbands in more than five years. They don't know whether they are wives of widows. Letters and packages are sent religiously, but the wives don't know whether the mail reaches their husbands.

North Vietnam released a list of names last week, saying it was holding only 334 men prisoner. Hanoi's claim was disputed by Defense and State Department spokesmen. Administration officials have said 400 to 800 men are believed held prisoner by Hanoi—and 100 to 500 by the Viet Cong in South Vietnam jungle camps. Other men, shot down over Laos are believed to be held prisoner by Pathet Lao forces.

"Most of the guys on the list we already know about," said one Kansas woman whose husband is missing in action. "I'm sure there were some new names, but I've talked with most of the Kansas wives whose husbands were on the list."

Six Kansans were among the names on the list. Fifty-six Kansas families—12 in Wichita—have men missing in action.

Life for these families is an endless wait, filled with positive hopes, but never a positive answer.

DEEP-RUNNING SHOCK

"I really can't express the tragedy of it all. It's just got to come knockin' at your door," said Mrs. Lawrence Clark, Salina, Kan.

For Mrs. Clark, the knock came at 2:20 a.m. Oct. 18, 1966. A group of military personnel drove seven hours in England to de-

liver the bad news—"Your husband has been declared missing in action."

Mrs. Clark's husband, a crewman aboard a rescue helicopter, was shot down over North Vietnam 34 days after he went overseas.

"I think my first reaction was shock," Mrs. Clark said. "I thought, 'it can't be my husband. He's been in planes 18 years. It can't be. It's impossible.'"

Within an hour after the news of her husband, Mrs. Clark began to stammer. Doctors have told her it is an emotional release. "I only stammer when I talk about my husband though," she said. "It's hidden so deep in me, you know."

Since that night, she has had "no whisper of anything." M. Sgt. Clark left for Vietnam Sept. 13, 1966. He was scheduled to retire from the service two months after he returned from the war.

"I thought about it all the time at first, but you get into other things to try and forget," Mrs. Clark said. "But no matter how hard you try, things can't seem to change for you."

"Sometimes it gets very difficult—in the daytime you have the children to take care of, but at night, when it's still and quiet, when you're not busy, you think about him," she said. "But you have to push things out of your mind. If I didn't I'd go out of my head by now."

Mrs. Clark's everyday distractions include two children, Steven, 11, and Jan, 8, and a myna bird with a British accent named "Petey."

The Englishwoman makes every effort to keep up the morale around the house. "The kids used to talk about him all the time," she said. "But they don't as much as they used to. I guess they're like normal kids—they're not depressed. I won't let them feel sorry for themselves."

"But still, every now and then they ask, 'Is daddy coming home?'"

When things "get going tough" Mrs. Clark said she imagines how bad the situation could be. "I've been very lucky not to get that final death notice that says 'that's it.' The things you live on are wish, hope and prayer. You just bring up the children like their daddy would have wanted you to."

Mrs. Clark said she often becomes frustrated. "But it's just a passing thing," she explained. "But I still have hope." When the pressures start to get her down, Mrs. Clark whips up her own home remedy—"A nice, hot, strong cup of tea."

Until January 1970, Mrs. Clark said, the government had instructed the wives not to say anything about their husbands, "only that they were missing in action. It was done to protect the men," she added.

"But I firmly believe none (of the prisoners) will be released until every American soldier is out of Vietnam," Mrs. Clark said. Because she is not a U.S. citizen, Mrs. Clark declined to express an opinion about American involvement in Vietnam. But she did comment on the war in relation to the wives and husbands she knows who have returned.

"Each day we stay in South Vietnam we're wondering, 'Is their health ruined for life?' It's a damn shame. I'm a mother and a wife. If I had my way there would be no wars . . . period!"

WHY?—WHY?

"I can't vote, I can't say what is right and what is wrong. It's a cruel life, though. I never have met one husband back from Vietnam who said, 'I was proud to be there.' Every day more men are missing, maimed or killed," she said. "Hanoi will not give their names because that's their ace card."

But Mrs. Clark holds a great faith in the American people in general. "If there was a war going on to protect this country, every hippie would fight," she submitted. "I've

met so many men who don't even know why they are there."

Mrs. Clark went to Paris on Christmas day with 58 wives and 94 children in an effort to speak with the Hanoi delegation to obtain some word of her husband.

When the families arrived in Paris, the Hanoi delegation refused to see them. A suggestion by Mrs. Clark that the group be permitted to attend church was believed to be one which finally moved the delegation to admit three wives. "I wasn't trying to persuade the delegation," she said. "I just thought we should be able to go to Mass on Christmas."

The three were told that release was inconsistent with North Vietnamese policy and would be part of the overall settlement of the war, but that names would be released on a "gradual" basis.

Mrs. Bruce Johnson, Salina, one of the three, was asked for a list of husbands whose families made the trip. As they were leaving, she asked a North Vietnamese official what they could tell their children about their fathers.

The official's answer: "Return home and tell your children their fathers are murderers of North Vietnamese children."

When talking of the prisoners the North Vietnamese referred exclusively to pilots in the North. Mrs. Johnson told the Salina Journal. Nothing was said of enlisted men or prisoners held in the South.

Mrs. Clark believes only two names of non-commissioned officers ever have been released. "That was in 1966," she said. "Out of 1,500 men, that's low."

"You just write and write but you never get answers. But I've just got to hope. It's the only way. More letters keep coming out (of Vietnam). Who knows? Maybe next month I'll get one."

A special kind of tragedy is evident for each of the families sharing the long wait. In the case of Mrs. Patrick Harrold, her little boy, Timmy, was born 17 hours after her husband was declared missing last December.

Six days later, the letters Lt. Harrold had written his wife still were arriving.

Mrs. Harrold, 22, Hays, Kan., said, "On the night it happened, I didn't believe it. I looked at the letters, but I couldn't see through the tears."

"For the first three months I firmly believed he was alive," she said. But a friend who had been with her husband in Vietnam said he thought her husband had been killed.

Like all the wives interviewed, Mrs. Harrold has learned to live with the uncertainty. "That's all you can do, just live with it," she said. "But if I didn't have Timmy I'd just shrivel up and die. Patrick wanted a boy so much and on my way to the hospital I kept my fingers crossed for a boy."

Mrs. Harrold refuses to believe her husband is dead. Lt. Harrold went down over Laos flying a Phantom II combat jet. "I've been told the prisoners there are kept in 20-foot pits and have to live in their own filth and waste," she said.

JOURNEY WITH NO END

"I think it would be easier to know whether he's dead or alive—even if you lose your husband you can pick up the pieces and start over again. But this way you don't know whether you're a wife or a widow and it just continues. There's no end to it."

"There's no way to express how I really feel. It's always present in your mind," she said. "It's a hell on earth. I guess I feel most depressed because Timmy is learning how to do things now (he's 6 months old) and Patrick can't be here to share in it. But the busier I am, the better it is because then I can't dwell on it," she explained.

Lt. Harrold's young wife is a member of

the National League of Families, a group intent on promoting public support to get Hanoi to release the names of "all" prisoners held captive in North and South Vietnam and Laos.

She has spoken on television shows and at luncheons to inform people of the league efforts and conditions under which prisoners live.

"I don't definitely believe Patrick's alive," she said, "but the league has restored my hope. Everything I'm doing in the league, I'm doing for Patrick," Mrs. Harrold added.

"The secret to living like this," said Mrs. Carl Karst, Russel, Kan., "is to dwell on the present. You can't live in the past."

Maj. Karst was within seven weeks of coming home when officials from McConnell Air Force Base pulled up in front of the Karst home.

That was 18 months ago. Today Mrs. Karst still hasn't completely adjusted to her husband not being home, which she says is the most difficult part for her and her three children.

"You just have to stay busy," she said. "You're up one day and down the next. It's just one big wait."

Mrs. Karst said she and the children, Cathy, 14, Tommy, 11, and Doug, 6, enjoy looking at the pictures taken when the whole family was together.

"We remember a lot, but you can't do this too much," Mrs. Karst explained. "They (the children) like to look at the pictures and remember daddy."

"There are all kinds of tragedies in the world. We've had a happy family life all along—and the children are aware of the kind of father he's been," she said.

"We haven't had time to feel sorry for ourselves. It's part of their lives."

When asked if she believed her husband was alive, Mrs. Karst replied, "Yes, I really do. But the chances are he could be dead too," she added.

She explained that the plane her husband flew, a Cessna O-2 observer was light and could land in trees over heavy jungle.

"There's been no word at all since he went down," Mrs. Karst said. "They conducted a three-day search and didn't find any wreckage or anything."

The one thing Mr. Karst dreads more than anything is her husband's death. "It's lonely without him," she said. "It's a world made for married people. All you can do is bury yourself in helping the kids lead an active social life."

There are many days when the loneliness seems too much to bear. "It can be only five minutes, but it seems endless. When you hit a rough day it seems like forever," she said.

When she heard the news of her husband Mrs. Karst said she didn't expect it. "But as I look back on it I wasn't surprised. I thought, 'This can't be happening to me.' I guess I was in a state of shock, but still operating. It was a long time before it really sunk in."

Mrs. Karst said the days seem more peaceful now. "I can live each day in more peace," she said. "I can't wish the next three months were over and he'll be home, because it might be the same then."

Mrs. Karst indicated the most frightening thing to her was to think there is no one she can contact who knows where her husband is. But, like all the wives interviewed, she feels his faith and self-determination will see him through. "I feel the Lord is with him," she said.

The soft spoken woman is seeking an elementary education degree at Fort Hays, Kan., State College. She likes small children and would like to teach on the third grade level. She also wants to be prepared if her husband returns from Vietnam disabled.

NOT KILLERS—JUST MEN

Also a member of the League of Families, Mrs. Karst said, "We're striving for American support to bring the men back. American support stopped the bombing. If we can get people steamed up enough about conditions, I think Hanoi will release the names. We just can't forget them," she said emphatically.

"You think of the men over there (in Vietnam) as warmongers—you know, Kill, Kill! But nothing could be more false. They're dedicated family men—just tremendous people with lots of ability. If they can come back they have a lot to live for," she said.

"That's why we have to work for their release, because they can't."

"We all want Carl back so badly," she said, "and that's the perfect ending."

A second briefing is scheduled for October to decide whether there is enough evidence to declare Mrs. Neal Bynum's husband killed in action.

Lt. Bynum was shot down five miles above the so-called "demilitarized zone" Oct. 12, 1969. "The chances of him being alive aren't good," Mrs. Bynum, Salina, said. "I don't know if he is alive, but I think and feel he is."

"Where he went down, neither air rescue nor troops can get in to help," she said. "There was no radio contact, no nothing."

"I knew something was wrong when mother answered the door," Mrs. Bynum recalled of the notification day. "The service told us what to expect. I was scared. Then the officer, a woman, read the letter to me."

"Death never entered my mind. I was numb. Then I heard the words 'missing in action.' It was almost a relief," she said.

"The fact that my husband is gone is always with me," she continued. "But you can't dwell on it. You just live from day to day, hoping your life will someday return to normal."

Lt. Bynum was gone 8½ months before declared missing. There's been no word since.

Positive thoughts and hope are what keep up Mrs. Bynum's morale. "The wife can't say, 'Well, he's dead.' So what would happen if Neal came walking in the door two years later?" she asked rhetorically. "You have to live with hope and then if the worst comes, you can start all over again. But if I had to wait five years to know that some day he'll come through that door, it would be like the next 24 hours," she said.

Mrs. Bynum feels wives with small children have the most difficult adjustment to make. She said the tension she feels reflects on her daughter, Angel, "and you can tell," she added. "Probably children 6 and older have the hardest time comprehending. I just hope Angel's father is home before she reaches that age, because I don't want to answer those questions."

Her top goal now is to have the names of the prisoners released. As a member of the League of Families, Mrs. Bynum has done television spots, speaking engagements and much behind-the-scenes work to drum up support of the American people.

"If the American people care enough about the men held prisoner and North and South Vietnam, and Laos too, if they care enough to write and show their concern, then the names will be released," she said.

"Of course the ultimate wish of the families is to bring the men home. But even if we could get the names released, it would relieve some of the anguish."

Mrs. Bynum said she feels something is going to happen within two years due to the election hopes of President Nixon.

"We have to have hope. I can't live with the thought that someone will come to the door someday with more bad news. I have to have positive thoughts," she said.

She feels strongly that political considerations have no part of the effort to have the names released. "It doesn't matter whether

it's hawk or dove, it's a humane cause," she insisted. "Some of the families have been quiet six long years. It's time someone started speaking out—and loud!"

While people are going through their daily routines, these men are dying, Mrs. Bynum said. "The American people aren't apathetic, but they need to get concerned. It's going to take more than the wives and families to get these men out—it'll take the support of the American people," she continued.

"But," she added, "people will read this article and forget about it the next morning."

The families are opposed to sympathy alone. All they want are their husbands. Their desperate hopes are for the future and dreams are of happier days gone by. The present seems endless as they wait and pray for the day when their husbands walk through the door—safe, and home again.

CRIME COMMITTEE HEARINGS IN PHILADELPHIA

HON. ROBERT N. C. NIX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. NIX. Mr. Speaker, I am pleased to report that the Select Committee on Crime, of which I am a member, had most successful hearings in my home city of Philadelphia. We had a thorough exposition of the local problem by some of our most concerned public officials, examined the Federal programs concerned, and listened to a number of citizen witnesses who were very helpful to us.

Philadelphia has had a unique youth gang problem. Hundreds of young people have chosen organized violence as a means of expression, and the death toll has concerned our citizenry. One unfortunate result, we were told, was that so much effort was being made that there was a sorry lack of coordination, and I joined our chairman, CLAUDE PEPPER of Florida, in pledging renewed effort to help Philadelphia and its citizens.

Press and broadcast coverage of our hearings was so extensive that I can best report to my colleagues by providing some of the newspaper reports. Because many of us share high esteem for Mr. PEPPER, I first submit an editorial from the Philadelphia Daily News which welcomed our chairman to our city:

WELCOME, PEPPER!

Rep. Claude Pepper (D., Fla.) heads the Congressional committee taking gang killing testimony here this week. He is one of the few men ever to serve in the U.S. Senate, be defeated and then return to the lower chamber. His answer about this political curiosity is to remind the interviewer that a fellow by the name of John Quincy Adams was President and then served in the House (in fact, he died on its floor).

Representative Pepper has given notable service to his country and we welcome him to town.

Philadelphia's very able police commissioner, Frank L. Rizzo, was the principal witness of our first session, and we also heard from other official spokesmen. The Philadelphia Bulletin news report, by Henry S. Messaros and Sally Grimes, topped page 1 of that day's paper. The

story accurately told of reactions to some of Commissioner Rizzo's statements:

STATEMENTS BY COMMISSIONER RIZZO

Police Commissioner Frank L. Rizzo told a congressional committee here today that Philadelphia needs large sums of outside money immediately to combat a "very critical" juvenile gang problem.

Rizzo was one of several witnesses at a hearing of the U.S. House of Representatives Select Committee on Crime at the Federal Building, 9th and Chestnut Sts.

Large infusions of state and federal funds, he said, would enable him to assign two experts to each of the city's 50 most active and violent gangs. They would try to divert gang energy into constructive pursuits, he said.

GOAL OF HEARING

Rizzo said the city is already spending \$3.1 million a year for its Juvenile Aid Division, and \$660,000 on salaries for gang control officers.

"Gentlemen it is clearly obvious that outside funds are needed to help combat Philadelphia's gang problem," Rizzo said.

Rep. Claude Pepper (D-Fla.), committee chairman, said the purpose of the hearings is to determine whether federal aid would be helpful in the battle against juvenile gang warfare here.

Pepper observed that there has been no noticeable improvement in the situation since an investigation and hearings last year by the Pennsylvania Crime Commission.

NIX AGREES

Rep. Robert N. C. Nix (D-Pa.), a member of the committee, agreed that there is an immediate need for money, manpower and talent to halt the violence.

"We will bring before this committee witnesses who have been fighting this battle. We hope to share their thoughts as to proposed solutions."

Rep. William A. Barrett (D-Pa.) introduced the panel of two congressmen and three legal aides to some 75 persons attending the session in a courtroom. Barrett is not a member of the committee.

He said the juvenile crime problem must be attacked by a federal, state and city combination. He promised to work for funds in Washington for such a program.

Managing Director Fred T. Corleto, appearing on behalf of Mayor Tate, said the city has responded to "the limit of its capabilities" to the gang problem. He asked for federal funds under the Safe Streets Act of 1968.

When Corleto finished his statement, Nix asked how much the city is getting now from Washington for gang control. Corleto said the amount was insignificant.

In answer to another question from Nix, Corleto said that last Monday a meeting was held to organize a Philadelphia committee of agencies responsible for dealing with youth problems.

"I am delighted to hear that," Nix said. "There has been too much fragmentation."

SINGLE DIRECTOR

City Council President Paul D'Ortona suggested to the committee that federal aid would allow all programs on juvenile crime to be brought under a single director here.

He blamed the city's urban redevelopment program for much of the trouble, charging that it uproots neighborhoods and throws strangers together in alien environments.

D'Ortona said a large share of the blame can also be placed on the parents, adding that government cannot take the full responsibility for what is happening.

NEED FOR DISCIPLINE

Institutions for the delinquent, D'Ortona continued, are "a farce and a travesty of justice" and fail to rehabilitate anybody.

"Discipline must come back to the schools. Discipline must come back to the homes, and authority given back to the police," he said.

Rizzo was flanked by two aides as he testified. Two huge red placards bearing the insignia of the police department adorned one side of the front of the courtroom. On the other side was a display of guns, knives and other weapons confiscated from juvenile gangs.

Rizzo, who testified for about an hour, told Pepper at the outset: "I'm honored to be here today, but I'm not going before any more committees. It's just a waste of time."

He said much time and money are wasted on official studies, adding: "If we could put money for studies into an action program we could get something done."

BATTLE FOR MONEY

Pepper nodded, saying he had frequently heard "that same pitiful plea."

Every day, Rizzo said, he puts up a battle for money. He agreed to list his needs for the committee in writing.

Nix observed that he is disgusted with competition and the lack of coordination among social service agencies.

"I know of no organization that does more than the police for the community," Rizzo said.

Several spectators protested out loud. Rizzo turned toward the audience and said: "Make them be quiet. If they can't be quiet, put them out."

THINGS QUIET DOWN

Several plainclothesmen got up and circled about the room. The spectators became quiet.

When Rizzo had testified the city has had 100 juvenile gang killings since 1967, and that the number before that was insignificant. Nix wondered about the reason for this, saying that poverty and a lack of education existed then as now.

"There must be some other reason," Nix said.

"I wish I knew the answer," Rizzo replied.

Rizzo told the committee: "We must have speedy trials for hardcore gang offenders, plus swift and severe penalties for those convicted. Surely, the snail's pace of our judicial system is no deterrent to crime."

The commissioner said the city has 93 organized teen-age gangs with a total membership of 5,300.

BATTLE OVER "TURF"

He said 72 of the gangs are Negro, but that gang fighting is not racially inspired. "In most cases, Negro gangs battle Negro gangs, and whites move against whites."

Narcotics, Rizzo continued, play no part in gang activities. Most of the fighting is over "turf," the area a gang lays claim to.

Referring to his plan to hire 100 experts to work with the 50 most active gangs, Rizzo said they would serve as consultants to gang members, would help them get jobs or special tutoring and, if necessary, clothing and other needs of life.

"I sincerely believe that only with this helping hand treatment can we make effective inroads against the gang problem. As an extension of this program, the police department might, if federal funds were available, assist needy pre-gang age children."

He said he envisioned a police-administered clothing program adding: "It is a sad commentary on our times that some children miss school today simply because they have nothing to wear."

SOCIAL CONCERN

Many agencies should be providing such assistance now, Rizzo said, but they are caught by rising costs and don't have the funds to do it.

"The police department wishes to become involved in these aid programs. We want the public to realize that the police department has a heart, that we're genuinely interested in the welfare of Philadelphians and not simply intent on arresting people."

The New York Times' report on the first day's hearings was also detailed. I was pleased that the Times considered our session worthy of almost a full column's coverage. The Times' story follows:

REPORT ON FIRST DAY'S HEARINGS

PHILADELPHIA, July 16.—Police Commissioner Frank L. Rizzo told a Congressional committee today that the city was in desperate need of outside funds to combat the juvenile gang problem.

Mr. Rizzo said he needed money to enable him to assign two experts to each of the city's 50 most violent gangs.

Philadelphia has had 100 juvenile gang slayings since 1967, he said, and before that the number was insignificant.

Mr. Rizzo says the city has 93 identifiable teenage gangs with a total membership of 5,300.

Commissioner Rizzo was one of several witnesses at a hearing called by the House of Representatives Select Committee on Crime. Representative Claude D. Pepper, Democrat of Florida, is the committee chairman. Mr. Rizzo said Philadelphia was already spending \$3.1-million a year for its juvenile aid division, and \$660,000 on salaries for gang control officers.

PURPOSE DELINEATED

Mr. Pepper said the purpose of the hearings was to determine whether Federal aid would be helpful in the fight against juvenile gangs in Philadelphia.

He said that there had been no noticeable improvement in the gang situation since hearings in 1969 by the Pennsylvania crime commission.

Representative Robert N. C. Nix, Democrat of Pennsylvania, who is a member of the committee agreed and said that there was an immediate need for money and manpower to halt the violence.

"We will bring before this committee witnesses who have been fighting this battle," Mr. Nix said. "We hope to share their thoughts as to proposed solutions."

Managing director Fred T. Corleto appearing on behalf of Mayor James H. J. Tate said the city has responded to "the limit of its capabilities to the gang problem." He asked for Federal funds under the Safe Streets Act of 1968.

Representative Nix asked Mr. Corleto how much money the city was getting now from Washington for gang control and Mr. Corleto's reply was that the amount was negligible.

Pursuing the extent of juvenile crime here as compared to other cities, Mr. Rizzo's men asked the New York City police department how many juvenile slayings there were there in 1969, he said.

Philadelphia was told the New York had 1,058 homicides in 1969 but did not classify them by age, "which seems a little ridiculous," Mr. Rizzo said.

In reference to his plan to hire 100 experts to work with the 50 most active gangs, Mr. Rizzo said they would serve as consultants to gang members, would help them get jobs and special tutoring and, if necessary, clothing and other needs of life.

"I sincerely believe that only with this helping hand treatment can we make effective inroads against the gang problem," Mr. Rizzo said. "As an extension of this program, the police department might, if Federal funds were available, assist needy pre-gang age children."

Mr. Rizzo said he envisioned a police-administered clothing program. "It is a sad commentary on our times that some children miss school today simply because they have nothing to wear," he said.

He said many agencies should be providing such assistance now but they are caught by rising costs and insufficient funds.

"The police department wishes to become involved in these aid programs," said Commissioner Rizzo.

"We want the public to realize that the police department has a heart, that we are genuinely interested in the welfare of Philadelphians and not simply intent on arresting people," he said.

The hearings continue tomorrow.

The Philadelphia Tribune, an important biweekly paper, considered our hearings sufficiently important to spread an eight-column headline "5,300 Teenage Gang Members Here, Rizzo Says." Pamela Haynes' story said in part:

TEENAGE GANG

Police Commissioner Frank Rizzo, testifying at the opening hearing of the Select Committee on Crime of the U.S. House of Representatives yesterday (Thurs.), told the Federal panel that this city is plagued with 93 organized teen-age gangs. The gangs, Rizzo said, have 5,300 members.

Of the 93, 72 gangs are black. The largest of these, the Valley Gang, in the 25th and Diamond Sts. area, has 250 active members. Rizzo told the committee, chaired by Florida Democrat Claude Pepper, that "practically none of the gang fighting is racially inspired."

"Negroes battle Negro gangs and whites move against whites," he said, adding that most of the white gangs are confined to the Northeast and South Philadelphia.

Rizzo described the gang problem in Philadelphia as "very critical" despite what he termed "a slight improvement" in conditions this year.

"So far in 1970, 17 persons, including a nine-year-old girl sitting innocently on her front step, have been slain in gang related rampages. For the corresponding period last year, there were 24 gang related slayings. In all of 1969, 41 persons lost their lives in gang incidents," he said.

Since 1967, police statistics show that 100 persons have been killed by roving gangs in this city.

I next call your attention to a report on judges' opinions as carried by the Philadelphia Daily News, under the by-line of reporter Jim Smith:

JUDGES' OPINIONS

Judge Frank J. Montemuro, Jr., administrative judge of Family Court, told the House Select Committee on Crime that legislation is needed to make it a crime to belong to a gang.

"The first step in treating the over-all problem of anti-social gangs is to contain and control the spread of conflict," the judge told the committee hearing in the U.S. Court-house here.

"Legislation making gang membership a crime would be a basic tool in halting this juvenile anarchy," he added.

Two U.S. congressmen heard testimony throughout the day citing the need of Federal aid to cities to halt juvenile delinquency.

Judge Montemuro summed up most of the witnesses' feelings when he said, "we need mount no massive research. This committee has but to undertake a 15-minute, non-stop drive through our North Philadelphia ghetto area to clearly identify what is urgently required in the areas of housing, poverty, unemployment, recreation, education or racial unrest."

Common Pleas Court Judge Clifford Scott Green in earlier testimony submitted a model for a Youth Services Commission to combat juvenile delinquency.

The commission, he said, would be independent, representative, federally funded and monitoring a complete system of youth services.

Philadelphia had a similar board during the administrations of former Mayors Joseph Clark and Richardson Dilworth, he said.

The commission would serve as a referral agency for all juveniles in trouble, provide services and programs to youth, study the problems of local youth, and collect and analyze statistical information, Judge Green told the congressmen.

In our second day of hearings, we listened to civic workers, educators, and gang members, as reported by Dennis Kirkland in the Philadelphia Inquirer:

DENNIS KIRKLAND REPORTS

Because of gang violence, young people are afraid to go to many public schools and, once there, "are more concerned about their personal safety than their education," the U.S. House Select Committee on Crime was told here Friday.

Robert L. Poindexter, executive deputy superintendent of schools, told the committee that young gangs have had "a tremendous impact on the public schools."

The committee also was told that the Philadelphia Urban Coalition has formed a Youth Development Council which will attempt to organize and coordinate the many "splinter" groups involved in gang work in the city.

Charles Bowser, executive director of the Urban Coalition, also proposed a five-point program calling for deployment of many more gang workers and equipping young "field personnel" with walkie-talkies so they can alert police to potentially violent situations.

William Wilcox, director of the Greater Philadelphia Movement, said the gang situation is a "mental health problem and should be treated with mental health techniques." He suggested that older gang members be "trained in group therapy techniques."

Poindexter, who said he was speaking for vacationing Superintendent Dr. Mark R. Shedd, said the gang problem has "reached alarming proportions and immediate steps must be taken to deal with the situation."

What are needed, he said, are jobs and programs to keep potential dropouts in school.

Bowser told the committee, which is concluding two days of public hearings, that gangs are here to stay. They are an integral part of the society of the city, he said, and will remain so until "an adequate substitute" is found.

These, in turn, should be coordinated with the programs of agencies like the Urban Coalition and Safe Streets, Inc.

Herman C. Wrice, president of the Young Great Society, brought four former gang leaders from Mantua and they spoke in his place.

Daniel Tate, 22, told the committee that gangs fight, for one reason, because they have nothing else to do.

"Basically, there's nothing to do. The average kid has no place to play, no job and no future," he said.

Boys start in gangs at age 12 as "peewees." They travel with the older boys and often carry weapons for older boys on their way to gang wars. Boys between 13 and 18 are called juniors, those between 18 and 21 are junior heads and, thereafter, "old heads."

Ezra Monroe, 23, who said he had been a burglar, told the committee that prison

facilities for juveniles are inadequate and that young boys are taught the "tricks of the trade" by older criminals.

CONGRESSMAN HALL REPORTS FROM WASHINGTON

HON. DURWARD G. HALL

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. HALL. Mr. Speaker, this week I am mailing to the constituents of the Missouri Seventh Congressional District my quarterly newsletter, "Your Congressman Reports From Washington." It contains, in addition to a report on the activities of the second session of this 91st Congress, other bits of information that I feel is of interest to all.

The newsletter follows:

YOUR CONGRESSMAN REPORTS FROM WASHINGTON

DEAR FRIEND: Phillips Brooks, a noted pulpit preacher once said, "Do not pray for easy lives. Pray to be stronger men! Do not pray for tasks equal to your powers. Pray for powers equal to your tasks."

This mid-summer of 1970 finds the character of the American people being tested as never before. The tasks that face this nation are indeed formidable, and most certainly will require that the true strength and moral stamina of this Republic emerge, in order that we might properly "face up" to the monumental job of uniting this land that has seemingly been caught up in the conflicts of emotion and confidence.

We must honestly recognize that:

There is no easy way out of Vietnam.

There is no easy way to stop inflation.

There is no easy way to combat crime.

There is no easy way to solve the problem of the "inner" cities.

There is no easy way to prevent pollution.

The fact remains that although solutions may not be easy, solutions, nonetheless must be found. They can only come about by carefully planned programs, the use of restraint, and a united and dedicated people, determined that the responsible way is the only way. Then, they must have the will to work the plan.

For every benefit that the government holds out, one must ask, "What am I required to give up in return?" The answer will usually bring to light that the price demanded is greater than the benefit offered, whether in taxes, or in restrictions of individual freedom and initiative, or in self-respect and moral character.

For the Republic,

DURWARD G. HALL,
Member of Congress.

UNITED STATES HOUSE OF REPRESENTATIVES, 1970: FIRST 6 MONTHS REPORT

RAILROAD RETIREMENT ANNUITY

When passed by the Senate and signed by the President, this legislation will increase by 15 percent the Railroad Retirement annuities. It will be retroactive to January 1, 1970. This action by the House, keeps the Railroad Retirement in line with the Social Security benefit adjustments.

EMERGENCY HOME FINANCE ACT OF 1970

Authorizes \$250 million to be used by the Federal Home Loan Bank for short-term and long-term loans to member associations. This legislation will help promote an orderly flow of funds into residential financing. It

is estimated that the Act will permit the building of 200,000 new housing units.

DEPARTMENT OF AGRICULTURE APPROPRIATION FOR 1971

Funds were earmarked to provide for the inspection of 100 percent of the "red meat" that is marketed in the United States. It is planned to include poultry in the future. In addition, the A.S.C.S. and S.C.S. received increased funding of about \$10 million. The appropriation granted assistance to schools serving free or reduced priced lunches to needy children, and restored the special milk program which will provide 3 billion 1/2 pints of milk to some 17 million school children.

POST OFFICE REORGANIZATION

The passage of this legislation provides for an 8 percent pay increase for 750,000 Post Office employees. It also assures that postal employees will have the freedom of choice regarding membership in a postal union. Other features include: Removing the Post Office from Cabinet status; permits bond financing for major improvements; calls for the assurance from both labor and management to refrain from any restriction on the use of new equipment devices which might reduce the cost or improve the quality of the postal service, and provided for the retention of existing veterans' rights.

PUBLIC WORKS APPROPRIATION FOR 1971

\$1 billion for the construction of waste treatment facilities to help abate water pollution; an increase of \$200 million over fiscal 1970.

FOREIGN AID APPROPRIATION FOR 1971

Funds for Foreign Aid have been reduced by \$500 million below last year's amount. Even with this huge cut, the Foreign Aid Budget will still top \$2 billion. Of special note is the fact that Foreign Assistance Budget has an *unexpended* balance of \$18 billion, on which we pay interest.

ITEMS OF SPECIAL SIGNIFICANCE

VIETNAM

As promised, President Nixon has pulled all of our troops out of Cambodia following a highly successful action. Now that the rainy season has set in, the North Vietnamese will find it difficult indeed to re-establish their supply bases along the border. This in effect, *buys time* for the acceleration of the Vietnamization process which will do much to assure the speedy removal of American troops. More than 115,000 have already returned home. Another 50,000 are scheduled to be pulled out by October, and 100,000 more programmed to return by Spring.

President Nixon has now appointed David Bruce, a highly regarded former Ambassador, to head our delegation to the Paris Peace Talks with the North Vietnamese. Mr. Bruce will be bargaining from a much stronger position than in the past, let us hope that he will also be more successful.

THE 18-YEAR-OLD VOTE

The President has signed into law the Amendment to the Voting Rights Act that will lower the voting age to 18. At issue is the constitutionality of this procedure. The Constitution leaves to the States, the power to set voting qualifications. The final decision on whether the law will take effect on January 1, 1971, now lies with the U.S. Supreme Court. The Court is expected to rule on the Act when it begins its next session in October.

Presently, only four states have voting ages lower than 21. They include Kentucky, Georgia, Alaska, and Hawaii. Recently voters turned down a referendum to lower the voting age to 18 in New Jersey and Ohio. Oregon voters rejected an attempt to lower the voting age to 19.

TEXTILE IMPORTS

Now in hearings before the House Committee on Ways and Means is H.R. 16920. This legislation is designed to limit 1970 imports of all textile articles and *leather footwear*, by category, to the average annual quantity which entered the United States in 1967-68. After 1970, the permissible level of imports would be adjusted upward or downward annually, in proportion to increases or decreases in domestic consumption. This is vital legislation to the many residents of the Seventh Congressional District who are employed in the manufacture of footwear.

SURCHARGE PHASES OUT

The National economy received a welcome "boost" effective July 1st, when the 5 percent tax surcharge expired. The overall monetary effect will be to increase the collective paychecks of American workers by about \$6.5 billion this year. In addition, this year the personal exemption for the taxpayer and spouse as well as the dependency allowance has been increased.

ON PLEASING PEOPLE

To paraphrase Montaigne, the French essayist, "A Congressman has need of tender ears to hear himself freely judged."

Regardless of how careful and conscientious a Congressman may be, someone is almost always sure to misunderstand his actions, and attitudes, and utterances.

When he is conscientiously careful with the taxpayers' money, someone will almost surely say that he is too "tight-fisted." If his views are more conservative than ours, we may assume that he is "too conservative."

When he favors our position, we may refer to him as fair-minded and responsive. When he opposes our position we probably pronounce him prejudiced. And in all honesty, must we not admit the possibility of our condemning in a Congressman, what we condone in a friend? And, the chances are that we ourselves do many things that we resent in others.

When a Congressman does nothing, people oft times find fault with what he doesn't do; when he does *something*, they will find fault with what he does do. While part of the people may applaud what he does part of the time, it is more than probable that part of the people will surely disapprove of what he does at *any* time.

When, therefore, a Congressman is attempting to please other people, he must remember that no mortal man ever lived (and that includes all of us), who has ever pleased anyone all the time—not even himself. No matter what course a person pursues, someone will wonder why he didn't do something different.

Possibly the best thing a Congressman can do is to conduct himself conscientiously according to his best knowledge and sincere convictions and keep his mind always honestly open to the possibility of his own errors—and hope that others will forgive his mistakes, as he is expected to forgive theirs.

Indeed, a Congressman has need of "tough ears" to hear himself freely judged by others.

A TRIBUTE TO MR. DONALD DOUGLAS, A PROMINENT MINNESOTAN

HON. JOSEPH E. KARTH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. KARTH. Mr. Speaker, a prominent Minnesotan is about to retire from active business life.

Mr. Donald Douglas, 3M Co. division vice president and general manager of the Reflective Products Division, has been with 3M for 42 years.

First, let me note that there is nothing unique about anyone retiring after 42 years of service with a company, an organization or for that matter with his Government. It happens every day.

Therefore, the uniqueness of his retirement is not in his length of service. It is Mr. Douglas' contribution to the safety of those who travel America's congested highways.

As leader, vice president, and general manager of the Scotchlite Special Products Division, tens of thousands of lives have literally been saved—not only in the United States of America—but in many foreign lands as well. In fact, he has contributed his lifetime to highway safety.

It is for this reason, Mr. Speaker, that I submit for the RECORD, the incomparable contribution this distinguished businessman American has made to his fellowman and to our society.

LAWYERS GROUP HONORS SUN-TIMES FOR SERIES

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. PUCINSKI. Mr. Speaker, recently, the Chicago Sun-Times was named winner by the American Bar Association for its outstanding work on "contributing to public understanding of the American system of law and justice."

The award given by the ABA to the Sun-Times cited an excellent series of articles written by Mr. James W. Singer on legal subjects of public importance.

Mr. Singer himself is a unique person. He is both a lawyer and a journalist, thus possessing those unusual qualities that go into making a successful writer in the field of legal journalism.

Mr. Speaker, I wish to congratulate the distinguished Sun-Times and the equally distinguished Mr. Singer for their outstanding contributions to the public. In this day of mass communications, the Sun-Times and Mr. Singer have provided for the public, in a very readable fashion, an insight into the legal complexities of a variety of issues that face our Nation, which are timely and urgent.

I wish to place in the RECORD today an article concerning the ABA award to the Sun-Times and to Mr. Singer.

Mr. Speaker, the article follows:

LAWYERS GROUP HONORS CHICAGO SUN-TIMES FOR SERIES

The Sun-Times was named the winner Sunday of an American Bar Assn. award for "contributing to public understanding of the American system of law and justice."

This newspaper was cited for a series of articles by James W. Singer on legal subjects of public importance, including the need for more Negro lawyers, Illinois' new income tax law and church-state relations.

Inscribed silver gavels will be presented to The Sun-Times, Singer and other winners at the ABA's 93d annual meeting in St. Louis on Aug. 12.

REPORTER FORMER LAWYER

Singer, 34, is a graduate of Harvard College and the University of Virginia Law School. He joined The Sun-Times last year. Previously, he was on the staff of the St. Louis Post-Dispatch for 1½ years and in private law practice for six years.

Among other assignments for The Sun-Times, Singer covered the trial of the seven accused of inciting riots during the 1968 Democratic National Convention here.

Among other gavel award winners named by the ABA was Parade magazine, a Sunday supplement that appears in The Sun-Times. Parade was honored for an article explaining a new law program for high school students.

OTHER NEWSPAPER WINNERS

Awards went to two newspapers in the 500,000-and-over circulation category—The Sun-Times and the New York Times.

Newspapers in the 200,000-to-500,000 circulation category that won gavel awards were the Washington Evening Star, the Christian Science Monitor and the Louisville Courier-Journal.

Among awards to newspapers of smaller circulation was one to the Kankakee Daily Journal for an investigation of the local administration of criminal justice.

In addition to the gavel awards, the ABA named 20 winners of certificates of merit. Among these winners was Chicago Radio Station WIND for its efforts in gaining new legislation to expunge the record of first offenders who are not convicted.

WHAT STATESMEN MAY DO

HON. WILLIAM D. HATHAWAY

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. HATHAWAY. Mr. Speaker, a thought-provoking article appears in the July 11 issue of America magazine which asks the question: "Has politics descended from a consideration of the fitting action to the technical level of the feasible reaction?" The question is asked in the context of the recent United States incursion into Cambodia, but its application is broader.

The article is the work of Francis X. Winters, a doctoral student at New York's Fordham University. I commend it to my colleagues.

A RULE OF THUMB FOR POLITICIANS

The alleged militarization of American foreign policy, coupled with recent events in Southeast Asia, has led to an energetic discussion on the constitutionality of current governmental processes. Yet there is a danger that the larger issues confronting the nation may be lost in the maze of constitutional-prerogative disputes. These larger issues focus on the question of national security, understood in the sense of the totality of human concerns which the nation must respect under pain of disintegration. While pursuing the urgent issues of the division of powers among the branches of government, we may be tempted to forget about the isolation of Americans from other nationalities, which frequently results in policy making from narrow attention to national security. In the hope of keeping the substantial issues in perspective, I would like to suggest some reflections on the technologization of politics.

By "technological" politics I refer to the tendency to confine political discussion

within the limits of feasibility studies. Technology asks the questions: "What can we do?" and "How can we do it?" Technological politics asks about the cohesiveness and durability of the consensus behind some policy, while military technology concentrates on the strategic alternatives available to policy makers. Neither the military nor the elected parties to the discussion are confronting the total question of security until they entertain a more difficult question, which technology cannot answer. That further question is not the technical one of capability but the challenge of human dignity: What goals may we seek politically and militarily? What are the means we may use?

Beyond the effort to adjudicate the competing claims of political and military sectors of the American public lies the question of the devaluation of politics itself. Has politics indeed been debased to the level of merely technological considerations, to feasibility studies?

Has politics descended from a consideration of the fitting action to the technical level of the feasible reaction? Do we notice, for example, in analyses of the Cambodian venture, the prevalence of technical considerations, such as the suggestion, often heard, that if the brief invasion is successful, the plan will have been a stroke of genius? Are politicians as well as military analysts asking the merely technical question: "Have we enough resources to accomplish this?"

Technological politics, which asks the meager question: "What can we do?" rather than the human question: "What may we do?", may be yet another indication of the dominance of social engineering in American life. To the extent that technical considerations are controlling political life in America, the current attempts to balance the claims of political and military influence will be foredoomed, since political and military technology represent two weights on the same side of the scale: that of social engineering.

Up to this point we have asked whether politics has become technological, that is, reduced to the ritual of inspecting the opinion polls, a rationalized search for political portents.

There seems to be little evidence that politicians are asking the more formidable and fruitful question of the human spirit—what a statesman may do without losing his human dignity. Transcending merely technical calculations, a statesman asks the moral question about the limits of human choice: what are those things that a man may never do, under any circumstances, no matter what political advantages must be forgone? In addition to exercising restraint over the military on constitutional grounds, the statesman must exercise self-restraint on the grounds of human dignity.

The difference between the narrow, technological understanding of politics and politics in the larger, human sense lies perhaps in the divergent attitudes toward national security. One might be able to gauge the presence of a metapolitical awareness by asking the politician: "What considerations must be balanced against the enlightened interests of the United States?" If the answer is "None!", the so-called politicians have not yet transcended the level of technology. Until politicians are willing to recognize the equivalent status of other nations, they are not exercising anything more than violence (militarism). At this stage, there is no final difference between political and military considerations.

Recent events in Cambodia, of course, provide an illustrative example of this fatal blurring of political and military considerations. Militarily it seems appropriate to eliminate potential threats to troop withdrawal. Politically it may be feasible to maintain

domestic support for such an operation over a short period of time. Thus, considerations confined to the security of the United States may recommend the Cambodian invasion. Yet security conceived thus unilaterally may prove a false security.

Regardless of the historical judgment to come on the Cambodian strategy, there remains the properly political ("metapolitical," according to Hans Morgenthau) question of human dignity, the capacity of a moral agent to balance his claims against the claims of others. Specifically, the metapolitical question at issue here is that of the territorial integrity of Cambodia. As one of the group of resigning advisors to Henry Kissinger remarked in a press conference: "Somebody forgot to tell the President that Cambodia is a country." Does the United States (either the President or the Senate or both) have the right to violate the territorial integrity of Cambodia? Even though the government has recently given its express consent, this must be interpreted in the context of Cambodia's military impotence.

Furthermore, what are the precise U.S. interests that are being balanced against the considerable weight of Cambodian autonomy? These U.S. interests are often spoken of as "survival." Such arguments that the Cambodian invasion is essential to national security would be palpably absurd in any sense except the diminishment of American casualties during the troop withdrawal. Evidently such a calculation is a unilateral concern for American interests, with no regard for the claims of other nations. The argumentation, indeed, belongs to the same species of "cost-efficiency ethics" that is still used to defend the American use of A-bombs at Hiroshima and Nagasaki.

The metapolitical frame of mind, which is aware that human dignity makes claims that are prior to patriotism, insists that the national security be broadened to include the spiritual security of mutual respect among nations. Such a frame of mind devises a rule of thumb that can serve to balance the claims of competing parties to a dispute. The rule suggests that (excepting those cases where the survival of the nation is indisputably at stake) the legitimate political interests of other nations (such as autonomy, territorial integrity, free trade, and so on) will always coincide with the human (metapolitical) interests of the United States, even though they may not always coincide with our political interests.

The rule of thumb proposed here to measure metapolitical (human) interests is an attempt to express in more neutral language those interests of the nation that have usually been called "moral." Because of the unhappy history of moral discourse in America, the word "moral" is usually taken by policy makers to be equivalent to an absolutism of love that would surrender all claims to national survival. Such an idealistic position has indeed at times (especially between the two wars) dominated the moral discourse of America. Hence it is not surprising that policy makers adopt a condescending attitude to representatives of the "moral interests" in the United States. Yet it is my contention that policy makers who ignore metapolitical considerations do not rise above the stature of technicians. It is because of the contempt into which the moral perspective has (perhaps justifiably) fallen that politics rarely transcends the level of technology in America. An easy-going empiricism, or even cynicism, has grown up on the soil of wishful idealism.

The metapolitical formula proposed here, however, which balances the legitimate claims of other nations against those of the United States, is not a naive one-worldism of the United Nations-garden party variety. Underlying the metapolitical vision is the acceptance (rational or instinctual) of national survival as a valid criterion of policy. According

to this formula, no course of action would be entertained that might probably undermine national security. Yet policy makers operating with this formula would ask very hard questions concerning the connection between apparently unjust means (violation of territorial integrity) and the principle of national security.

What, indeed, is required for the national security? Answers to this fundamental political question range from the prophetic call to dismantle the industrial complex (see Sidney Lens, in *The Military-Industrial Complex*) to the Presidential summons to "total victory." Such has always been the variation of estimates about national security, ranging from calculations based on trust to those relying on technology.

The proposal made here is that there is a middle path between the prophetic program of beating the swords into plowshares and the impoverished politics of technocracy. Security, according to this metapolitical analysis, cannot be considered a mere question of technical competence (which can do seemingly anything it can imagine); it is, rather, a question of the human spirit, whose pre-eminence in the evolutionary struggle consists in the capacity not to do everything it can imagine.

Security, then, is a blend of technical prowess and the perennial sense of human limitation, the awareness that there are some things that a man may never do, for any advantage whatsoever, at the peril of his own spirit. National security demands that policy makers with a metapolitical perspective keep a firm hand on both political and military factors in the nation. Rather than asking the technical question of what is good for the United States, they must ask the larger question of how U.S. national interests may be balanced against the legitimate interests of other nations.

Asking this metapolitical question is admittedly more hazardous than asking the technical questions of prestige and force. Failing to ask that question, however, may be more hazardous still. That hazard may be as high, as John Gardner suggests, as the disintegration of a nation.

TAX DEPRECIATION POLICY

HON. JACOB K. JAVITS

OF NEW YORK

IN THE SENATE OF THE UNITED STATES
Thursday, July 23, 1970

Mr. JAVITS. Mr. President, last December during the debate on the Tax Reform Act of 1969, I was concerned, as were other Senators, about the pending outright repeal of the investment tax credit. My concern centered on the fact that the repeal of the investment tax credit removed an incentive to business investment—leading to increased productivity of our economy—without substituting a comparable incentive in its place. The business leaders and tax lawyers with whom I consulted at that time strongly urged that if U.S. industry is to maintain the levels of investment necessary to insure the productivity required by our people and international competitive position of our industries in the decade ahead, that some sort of a continuing investment incentive would be needed. It was repeatedly suggested that the repeal of the investment tax credit, made necessary as a long-run policy the revision of existing tax depreciation policy. At that time, the Un-

der Secretary of the Treasury Charles Walker indicated that he would make available to the Congress a study with respect to tax depreciation policy.

This study has now been made available pursuant to that assurance. As our economy has moved into a mild recession, and as levels of business investment have declined and in many cases declined precipitously, it becomes increasingly urgent that serious consideration be given to the reinstatement of appropriate investment incentives. I share the sentiments of Professor Samuelson, when he stated on July 22, 1970 in testimony before the Joint Economic Committee that the repeal of the investment tax credit was a mistake and unfortunate. This mistake could be rectified by legislation or by the administrative determination to revise tax depreciation policy. I also agree with former Chairman of the Council of Economic Advisors and former ambassador Gardner Ackley who was also a witness before the committee that if revised depreciation schedules are implemented, that consideration will have to be given to balancing out revised depreciation schedules with some increase in existing corporate tax rates. I am also fully aware of the differences of opinion which exist concerning the type of investment incentives that need to be restored to our tax structure.

I feel strongly that this matter of depreciation schedules for new equipment should be given the priority attention it deserves. Secretary Kennedy, in making available to me this report with respect to tax depreciation policy, has initiated the essential first step toward fueling such a debate. I note in Secretary Kennedy's letter which transmits the report, it is stated that the eventual recommendations that will be forthcoming from Treasury on revising depreciation policy will "depend heavily on the levels of Federal expenditures which are to be financed and upon the money and credit policies selected to meet our domestic and international financial needs." Secretary Kennedy also states:

For the short term, the Administration's continued concern with remaining inflationary tendencies in the economy suggests a cautious approach to tax policy; it would be fiscally imprudent to embark on long range tax policy courses before the weather charts can be drawn with confidence.

I do not agree and I would argue, that in at least one respect the weather charts are sufficiently clear. American business is now facing an increasingly serious profit squeeze as well as a serious liquidity crisis. Seriously declining business profits have fueled the stock market decline and contributed to the revenue shortfall which has caused the budget to move into deficit. Future levels of business investment will be an important determining factor as to the depths of the current recession and the time span required to get this economy moving again.

The implementation of revised depreciation schedules now would help the profit margins of our corporations and correspondingly revenue flows to the Treasury could be favorably affected. Such increased revenue flows could help compensate for the revenue loss that

would result from the implementation of such modernized depreciation schedules. The key point is that the implementation of revised depreciation schedules now could play an important role in restoring business confidence and in turn in getting this economy moving again.

I will circulate this Treasury study to interested organizations for their evaluation and comment. When these comments are received, I will again report to the Senate on this vital policy question.

I ask unanimous consent that Secretary Kennedy's letter of July 17 and the enclosure entitled "Tax Depreciation Policy: Measures of Effectiveness and Estimated Revenue Loss" be printed in the RECORD.

There being no objection, the letter and the report were ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE TREASURY,
Washington, D.C., July 17, 1970.

HON. JACOB K. JAVITS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR JAVITS: I am enclosing our report with respect to tax depreciation policy as promised in Under Secretary Walker's letter to you of November 25, 1969. The report includes revenue estimates for a number of depreciation liberalization methods. In addition, the report presents an extensive set of measures of investment incentive effectiveness which should prove useful in evaluating these business tax options.

The Treasury is continuing its studies of a wide range of tax policies, including modifications of tax depreciation. These studies are generally addressed to questions concerning the compatibility of the federal tax system with national economic goals in the private and public sectors. Some of these tax policies would raise revenues, and others would reduce them; each would naturally alter the structure of the tax system and its impact on private saving and consumption decisions. Thus, the recommendations which will be forthcoming depend heavily on the levels of federal expenditures which are to be financed and upon the money and credit policies selected to meet our domestic and international financial needs. For the short term, the Administration's continued concern with remaining inflationary tendencies in the economy suggests a cautious approach to tax policy; it would be fiscally imprudent to embark on a long range tax policy course before the economic weather charts can be drawn with confidence.

I hope you will find this tax depreciation report useful in your evaluation of business tax policies. If there is any further assistance we could furnish, please call upon me.

Sincerely yours,

DAVID.

TAX DEPRECIATION POLICY OPTIONS: MEASURES OF EFFECTIVENESS AND ESTIMATED REVENUE LOSSES

This report develops a set of measures of effectiveness of changes in tax depreciation policy as investment incentives and applies them to such commonly proposed changes as: (1) provision of initial allowances; (2) arbitrary shortening of useful lives of assets for tax purposes; (3) allowance of declining balance depreciation methods at three times the straight line rate; and (4) substitution of the full year for half year convention. In addition, consideration is given to the qualitative aspects of abandonment of the reserve ratio test and to disregarding additional amounts of salvage in the determination of allowable depreciation deductions. Estimates

Footnotes at end of article.

of revenue losses associated with a variety of depreciation policy changes are also presented, along with a description of the computer model utilized for their computation.

PART I. FOUR MEASURES FOR COMPARING ALTERNATIVE DEPRECIATION POLICIES

Tax depreciation policy may be described most succinctly as the set of rules which govern the size of annual depreciation deductions allowed for purposes of computing taxable income. These rules, in general, specify that the aggregate of all depreciation deductions which may be taken by a business taxpayer may not exceed the difference between the original cost, or other basis, of the asset and its salvage value, and that this depreciable basis must be apportioned over the estimated useful life of the asset by a consistent method.¹

Despite the fact that the aggregate depreciation deductions for any asset may not exceed the depreciable basis and is the same under any method, the timing of the deductions varies under different methods; and since differences in timing of deductions cause differences in timing of tax liabilities, changes in tax depreciation policy have economic consequences. It is generally understood that tax depreciation policies which permit more depreciation deductions in early years are "worth more" to a taxpayer because they defer his tax liabilities to later years without penalty of interest charges. In this introductory note, assuming an asset which costs \$1,000, has an actual useful life of 12 years, and no net salvage value, we develop four measures by which to evaluate four alternative tax depreciation policies. The period of 12 years has been taken for the illustration because it represents the average useful life for depreciable assets used in manufacturing industries, the sector of the economy which is regarded as being highly sensitive to investment incentives. For purposes of constructing these measures, it will be assumed an after-tax rate of return of 12 percent is representative, since that is the return on equity reported by all manufacturing companies in the SEC-FTC Quarterly Financial Report over the previous three years.

Section A of Table 1 portrays the effect of differences in timing of deductions as among several depreciation methods. Expensing, which is the extreme of "acceleration," allows an immediate write-off of basis; and, with less accelerated methods, the first year deduc-

tions range down to \$83.33 by the straight line method. By the end of the first half of the asset's life, \$500 of deductions would have been taken under the straight line method, but the amount under the sum-of-years digits (SOYD) method would be \$730.77.

Considering that, to the taxpayer hypothesized here, each dollar of payment deferral can yield a net return of 12 percent, we may quantify the values of these alternative depreciation policies to the taxpayer as he contemplates the purchase of the \$1,000 asset with a 12 year expected life so that they may be compared with each other by discounting each method's depreciation deduction stream to the present at 12 percent. The result is shown in Section B of Table 1. Obviously expensing, which has the quickest write-off has the highest present value, shown as \$1,000 in the table;² and straight line depreciation, which has the lowest present value.

Of course, present values of deductions have no economic content in themselves; they do not directly represent cash payments or receipts. However, under an income tax system, they do affect tax liability and, hence, the accrual and payment of taxes. Reflecting an income tax rate of 48 percent, the second row of Section B shows the differential cash flow effect of depreciation policies on the owner of the asset as he considers purchasing it. The interpretation of these numbers is as follows: If the prospective owner of the asset—who is (1) paying a 48 percent tax and (2) expects a 12 percent return after tax—presented with the choice of no allowance for tax depreciation deductions or of being accorded the privilege of taking straight line deductions, he would be willing to pay up to \$247.78 for the privilege of using the straight line method. Alternatively, if he had been permitted only to take straight line depreciation and were asked how much we would be willing to pay for the privilege of using the double declining balance method, his response would be: "Up to \$39.74," which is the excess of the present value of DDB tax reductions (extra cash flow) over straight line. Similarly he would be willing to pay up to \$49.94 for the opportunity to use SOYD depreciation rather than straight line and \$232.22 to expense rather than be limited to straight line. These differences in the value of tax deferred associated with different tax depreciation policies are one useful economic measure.

TABLE 1.—COMPARATIVE MEASURES OF DIFFERENCES BETWEEN FOUR DEPRECIATION METHODS APPLIED TO A \$1,000 ASSET WHEN THE AFTER-TAX RATE OF RETURN IS 12 PERCENT

Item	With income tax at 48 percent, and allowable tax depreciation			
	Straight line	Double declining balance	Sum-of-years digits	Expensing
A. Tax life—expected life=12 years cumulative depreciation deductions, at end of year—				
1.....	\$83.33	\$166.67	\$153.85	\$1,000
3.....	250.00	421.30	423.08	1,000
6.....	500.00	655.10	730.77	1,000
12.....	1,000.00	1,000.00	1,000.00	1,000
B. Present value of depreciation deductions at beginning of year 1. Equivalent present value of reduction in tax liabilities.....	516.20	599.01	620.26	1,000
Excess over straight line depreciation.....	247.78	287.52	297.72	1480.00
C. Asset price reduction which would be equivalent to tax depreciation more accelerated than straight line.....		39.74	49.94	232.22
D. Effective tax rate, straight line depreciation as standard (percent).....		52.85	66.40	308.72
E. Effective rate of return, straight line depreciation as standard (percent).....	48	43.3	42.0	0
	12	13.1	13.4	23.1

¹ If it is recognized that tax deductions cannot be effectively taken until tax liabilities are accrued and payable, the present value of the deductions would be \$944.91, and the present value of the reduction in taxes would be \$453.56.

Section C presents another series of measures of the economic significance—incentive effect—of these depreciation policies. The point of view taken is the following: if, as was basically the case before 1954 when accelerated depreciation methods were au-

thorized by the Internal Revenue Code, we take straight line depreciation as the base from which to measure change, then it can be computed that the benefit from being permitted to use DDB rather than straight line methods is equivalent to a reduction of

\$52.85 in the price of this \$1,000 asset, or a price reduction of 5.3 percent. That is, if the Government had subsidized the sale of this asset to the extent of \$52.85 but continued to require the asset owner to use only straight line depreciation (on the diminished basis of \$947.15), the asset owner would be as well-off as when he is extended the privilege of using DDB. Or, put another way, the incentive effect of permitting DDB rather than straight line depreciation is equivalent to that which would be produced by a 5.3 percent reduction in the prices of 12 year assets. And, since SOYD depreciation is more accelerated than DDB, a switch to it from straight line is equivalent to a \$66.40 reduction in the price of a \$1,000 asset, or 6.6 percent.³ Finally, permission to expense the cost of the asset rather than take straight line depreciation would be equivalent to a \$308.72 reduction in price, nearly 31 percent, a powerful incentive indeed.

The same data may also be used to measure the tax depreciation policy differentials as differences in effective tax rates, as is shown in Section D of Table 1. Clearly, if more accelerated depreciation is worth more to the owner of a depreciable asset than less accelerated depreciation, this increased benefit may also be equated to a lower rate of taxation while holding the depreciation method constant. As indicated in Table 1, if straight line depreciation is taken as the basis of comparison, and the nominal tax rate is 48 percent, permitting DDB is equivalent, from the point of view of the owner of the asset, to a reduction in the tax rate of 43.3 percent. That is, in lieu of permitting the use of DDB, a reduction in the tax rate from 48 to 43.3 percent (and still requiring straight line depreciation) would leave the asset owner equally well-off. And, since the difference between straight line and DDB depreciation policies is equal to an asset cost reduction of 5.3 percent (see Section C of Table 1) we may observe that a reduction in the tax rate from 48 to 43.3 percent has the effect of reducing the cost of 12 year assets by 5.3 percent. It is in this sense that a tax rate reduction is also an investment incentive. Again, since SOYD depreciation deductions are worth more than DDB, permitting a switch from straight line to SOYD reduces the effective tax rate to 42 percent. Finally, permitting the capital cost of an asset to be expensed has the effect of exempting the income from ownership of the asset from taxation.⁴

A fourth measure of the differential economic impact of tax depreciation methods, also based on the data of Section B in Table 1, is expressed in terms of rates of return from the ownership of depreciable assets. Once again, taking the straight line depreciation case as a standard of comparison, if the rate of return after taxes at a 48 percent tax rate is 12 percent, the benefit of permitting DDB tax depreciation is equivalent to raising the rate of return to 13.1 percent, an increase of 1.1 points, or more than 9 percent in after tax rate of return; permitting SOYD is equivalent to raising the rate of return to 13.4 percent, an increase of 1.5 percent; and permitting expensing is equivalent to raising the rate of return to 23.1 percent, a 92.5 percent increase in rate of return.⁵

It is worth noting that the increase in rate of investment which might occur in response to the incentives provided by a change in tax depreciation policy, or any other business income tax policy that reduces the weight of taxation on the cost of undertaking investment projects, reflects two distinctive elements. There is, most obviously, an increase in rate of investment due to expansion of kinds of investment which were already profitable enough to be undertaken before the policy change; since these are now more profitable, more will be undertaken. Addi-

tionally, many investment projects which were insufficiently profitable before the change now become profitable.

In the example above, for 48 percent taxpayers, projects with a useful life of 12 years, which could only yield after tax rates of return of 10.6 percent when tax depreciation is limited to straight line and hence could not be undertaken because the going rate of return in the market is 12 percent, become eligible for investment if tax depreciation is allowed to be computed by the SOYD method. With no change in the market prices of products or depreciable assets, this degree of liberalization of depreciation would raise the after tax rate of return of such projects to 12 percent and qualify them to be undertaken.

Of course, the extent to which the rate of investment may be expanded for both these reasons is dependent on the expansibility of the supply of savings (capital funds). If desired expansion in the rate of investment does not elicit an increased flow of savings, interest rates (the rates used in discounting future payments) will be pushed upward, and this will dampen the rate of investment undertaken.

The above may be summarized in the following way: In 1954 when tax depreciation was liberalized by making freely available to taxpayers the use of SOYD depreciation, if 12 year assets may be taken as typical of manufacturing machinery and equipment, and a 12 percent after-tax rate of return is descriptive of the opportunity cost of capital, the option to switch from straight line depreciation to SOYD may be evaluated, reading down the column headed SOYD in Table 1, as worth:

- a. \$49.94 per \$1,000 of net assets, in terms of greater cash flow from tax deferral, or
- b. The equivalent of a 6.6 percent reduction in the cost of new assets, or
- c. A reduction in the effective tax rate from 48 to 42 percent, or
- d. An increase in the rate of return from ownership of assets from 12 to 13.4 percent.

Since all these measures are derived from the same data—the differences in present value of varying degrees of tax deferral provided by optional tax depreciation policies—they are equivalents: The greater degree of tax deferral under SOYD as compared with straight line depreciation for a \$1,000 asset with a 12 year life is equal to a present value in cash of \$49.94, which is the same as a 6.6 percent reduction in the price of the assets, or a reduction in the tax rate from 48 to 42 percent, or to an increase in after-tax profitability from 12 to 13.4 percent. Depending on the way particular investors may prefer to assess the effect of a change in income tax policy, any of these measures will suffice to index the "incentive" effect of a change.

The response to these incentives, however, will obviously not be uniform over all industries. Depreciable assets are only one input to production processes, and the relative importance of this form of capital varies greatly from industry to industry. In some industries, such as primary metals, chemicals, and heavy manufacturing, depreciable assets contribute five times as much to unit product costs as in others, such as textiles; a 6 percent reduction in the cost of depreciable assets will clearly elicit much more response in the former category of industrial enterprises than in the latter.

In Part II, several changes in tax depreciation policy are examined. To the extent each change results in a determinate modification of the time stream of depreciation deductions, the change is evaluated by at least one of the measures developed above. That is, given the present law provisions (including accelerated depreciation), the value of a proposed change—substituting a first year allowance, allowing triple declining balance depreciation, etc.—is measured as an asset price reduction equivalent, a change in effective tax rate, or an increase in "rate of profit."

PART II. TAX DEPRECIATION POLICY OPTIONS

The reasons for modifying the present tax treatment of depreciation range over the entire spectrum of considerations pertinent to tax reform. Since tax depreciation is a major determinant of the effective tax imposed on income from business equity investment, one set of objectives toward which depreciation proposals are aimed is concerned with incentives to investment. This set addresses both generalized concerns that the rate of private investment is inadequate to support a sufficiently high rate of economic growth as well as particular concerns that investment in specific industrial categories is disadvantaged with respect to other categories or to foreign investment. A second set of objectives, not necessarily mutually exclusive of the other, principally addresses basic questions of business income tax structure: the neutrality of present tax depreciation policies with respect to investments in assets of different lives and with respect to the effects of inflation.

A number of proposals to achieve one or more of these objectives is examined in this part. Whenever possible, the investment incentive equivalent of the proposal will be discussed, along with their more important implications for tax system neutrality. No conclusions as to the merits of the options are reached; these can only be arrived at in the context of a budget proposal, including an evaluation of the fiscal impact of particular proposals and the available means for financing them. As an aid to budgetary evaluation, revenue estimates for particular proposals are presented in Part III.

A. Proposals to liberalize tax depreciation, the incentive effects of which are not amenable to quantification and tax revenue estimation

(1) Abandon the Reserve Ratio Test

When Revenue Procedure 62-21, popularly known as "Guidelines," was published in 1962, two purposes were served. On the one hand, the Guidelines presented a simplified set of asset classes with corresponding asset lives that constituted the first revision of "guideline lives" since these had been incorporated in Bulletin F in 1942. On the other hand, Guidelines formalized the application of the reserve ratio test, a mechanical method by which business taxpayers may establish whether the asset lives they are using for tax purposes are consistent with their useful lives as required by Section 167(a) of the Internal Revenue Code.⁶ The guideline lives published were not only simplified as compared with the extensive listings in Bulletin F, they were also purposely set at levels below typical, or average, replacement periods, as indicated in industry surveys that had been completed for the revision, rather than at industrial averages as had been the case in Bulletin F. The reason for this departure in Guidelines was the desire to facilitate the adoption of faster replacement policies by business taxpayers in harmony with the economic policy objective of the time to modernize United States industrial plant, which was then thought to be obsolescent.

It was not the intent of Guidelines to simply shorten lives for tax purposes for all taxpayers. It was, rather, intended that taxpayers who had adopted, or wished to adopt, investment policies which resulted in below-average replacement periods should not be penalized by the theretofore traditional tax audit procedure which placed the burden of proof on the taxpayer for "justifying" departures from Bulletin F lives. Thus, the new published guidelines were "short" for the bulk of business taxpayers, but they were admonished that, if they were to use these lives, or any other which might be shorter or longer, they would have to satisfy the reserve ratio test. In order to facilitate changes in investment policy which taxpayers might be induced to make by the new rules, it was

Footnotes at end of article.

announced that the reserve ratio test would not be applied for three years; and to further moderate audit of transitional adjustments of taxpayer investment policy, in 1965 Revenue Procedure 65-13 was published, supplementing Guidelines with a set of rules which enable taxpayers to satisfy the reserve ratio test by trending toward a conformity of tax and actual lives. Altogether, present law tax depreciation policy may be characterized as a set of rules under which taxpayers may freely select from a set of depreciation methods (straight line, double declining balance, sum-of-years digits, etc.) allowable under Section 167 of the Code by which to distribute the cost of assets over their expected useful lives, and they may objectively establish the conformity of their depreciation deductions with their replacement policies by pre-established rules—the reserve ratio test and supplementary transition rules.

Almost from the date of publication of Guidelines, critics have advocated abolition of the reserve ratio test. One body of criticism has centered on the alleged inability of the reserve ratio test to accommodate likely variances in growth rates of individual firms. However, an extensive simulation study published by the Treasury Department in 1968 rebuts these allegations.⁷ A more substantial body of criticism is based upon the contention that, in the dynamic world of business investment, the useful life of a depreciable asset is not a physical datum. The useful life depends on the "wearing-out" process, to be sure, but also on prices of replacement assets, expected value of output, capital costs, etc.

Since estimates of useful life made when assets are acquired are likely to be found inaccurate because of changes in the variables noted above, it is arbitrary and constraining on sound investment behavior to bind taxpayers to a historically based reserve ratio test. Since even the reserve ratio test is arbitrary in this dynamic sense, it should be abandoned and replaced by a system of "capital allowance" deductions for tax purposes which are available to business taxpayers by "right."

It is beyond the scope of this report to evaluate this criticism and its implications for tax policy. However some comment on the proposed solution is appropriate here. In view of the admittedly great diversity of replacement policies among firms in the same industry and the still greater diversity between industries, an arbitrary system of capital allowances would necessarily result in inequalities in the tax treatment of private investment. For those taxpayers whose situation is (accidentally) accommodated by the prescribed allowances, no tax benefit would be derived; but for the greater number whose situation is not typical, tax benefits and penalties would result. Even if the periods for allowable cost recovery were sufficiently short that the depreciation deductions of substantially all taxpayers were increased, the degree of benefit to individual taxpayers would nevertheless vary, creating the same inequalities.

An obvious expectation under a system of arbitrary capital allowances is that pressure from those who are either not benefited, or are actually penalized by the existing allowance system, would be continually exerted on the Congress and Treasury to "liberalize" the allowances. (See the discussion below of the benefit to taxpayers of shortening lives and otherwise increasing the present value of depreciation deductions for an indication of the sizable benefits from such liberalizations.)

If the reserve ratio test were abandoned and all taxpayers permitted to use Guideline lives, some undeterminable revenue loss would doubtlessly result as those taxpayers who are now constrained from using the shorter Guideline lives by the reserve ratio test would adopt them. Moreover, this loss would be amplified in the short run if tax-

payers were permitted to group their existing assets into Guideline classes and apply to them the higher depreciation rates implied by the Guidelines.

If the reserve ratio test is abandoned and replaced by a system of arbitrary capital allowances, either by amendment of the Internal Revenue Code or by new regulations, the Congress and Treasury Department would be thrust into the role of arbiter of industrial asset replacement policy. By its determination of "the" useful life of particular assets, and assuming prescribed lives would be set intentionally low, the government would be affecting investment incentive. To the extent the economic circumstances in which taxpayers find themselves dictate they should employ asset replacement policies that yield above average actual useful lives within their industrial (guideline) classification, these taxpayers will be benefited by the use of arbitrary capital allowances; but other taxpayers who have found it economic to employ rapid replacement policies and for whom the arbitrary allowances would not permit capital recovery within actual asset lifetimes, would be forced to pay higher effective tax rates. There would appear to be no economic principle by which to justify providing an investment incentive to the former group and a disincentive to the latter. Indeed, this is recognized by advocates of arbitrary capital consumption allowances who generally recommend that taxpayers who can demonstrate that their economic circumstances warrant the use of shorter tax lives than are prescribed by statute or regulation be permitted to do so. But if some business taxpayers are able to justify particularized tax lives, in the interests of tax system neutrality with respect to private investment decisions, all taxpayers should do so.

(2) Disregard Salvage Value in the Computation of Allowable Depreciation

Under present law taxpayers are generally limited to an aggregate of depreciation deductions over the estimated useful life of assets no greater than the difference between cost, or other basis, and salvage value. However, in order to minimize taxpayer-Revenue Agent conflicts concerning reasonable estimates of salvage value, Section 167(f) permits amounts of salvage value up to 10 percent of original basis to be disregarded. As a step toward further simplification and liberalization of tax depreciation, it is occasionally suggested that additional amounts of salvage value might be disregarded in computing allowable depreciation; and as the ultimate in simplification, salvage value might be completely disregarded.

The practical import of this proposal is obviously to increase the absolute amount of depreciation deductions available to the owner of a depreciable asset and, thereby, to increase the present value of allowable tax depreciation. Clearly, the value of this benefit, the incentive effect, will depend on whether taxpayers own depreciable assets possessing salvage value that can be disregarded, on their tax rates, on the expected life of the assets in question, and on the depreciation method which they may use. Illustrative calculations of the benefit from disregarding an additional amount of salvage value equal to 10 percent of the original basis are shown in Table 2. The benefits are expressed as asset price reduction equivalents (See Part I), and are shown for taxpayers subject to 22 and 48 percent tax rates, using either straight line or SOYD depreciation methods, and for asset lives from 5 to 30 years. Inherently, this proposal provides greater tax benefits the shorter the asset life and the more accelerated the tax depreciation formula, and in common with all proposals to provide tax incentives via tax depreciation policy, it provides greater benefits to high-tax-rate asset owners (i.e., larger businesses) than to low-tax-rate own-

ers. Since the margin of benefit is so much greater for short lived assets while being restricted to taxpayers who, in fact, have salvage value to ignore it is reasonable to infer that one of the side-effects of such a change in the tax laws would be to stimulate the growth of artificial asset ownership and trading patterns whose only function would be to maximize the amount of tax depreciation deductions.

TABLE 2.—TAX BENEFIT OF DISREGARDING ADDITIONAL SALVAGE VALUE EQUAL TO 10 PERCENT OF ORIGINAL BASIS

Asset life (years)	Asset price reduction equivalent, per \$1,000 of original basis, if the tax rate is—			
	22 percent		48 percent	
	Depreciation method			
	Straight line	Sum-of-years digits	Straight line	Sum-of-years digits
5.....	\$18.85	\$20.56	\$52.92	\$59.25
10.....	14.19	16.96	37.21	46.27
15.....	11.10	14.30	27.87	37.55
20.....	8.95	12.28	21.84	31.35
25.....	7.41	10.72	17.73	26.77
30.....	6.28	9.47	14.80	23.27

For example, if salvage value were disregarded, owners of assets with, say, a normal useful life of 10 years and a zero salvage value at the end of that period, would find it economically rewarding not to hold title to the asset but, rather, to "lease" its use from firms established for the purpose and who would arrange to "exchange" the asset frequently during the 10 years, each time restoring all or some of the basis. In the extreme, such purely tax avoidance arrangements might permit many capital assets to effectively be expensed. This tendency to create artificial leasing and asset exchange arrangements always occurs when significant amounts of salvage value (in the hands of the asset owner) are ignored.⁸

Due to uncertainty about the extent of disregarded salvage and its distribution among business taxpayers, no revenue estimates could be prepared to indicate the tax loss which might be associated with such proposals.

B. Quantifiable proposals to liberalize tax depreciation

A number of proposals to liberalize tax depreciation policy may be conveniently grouped under the head of "accelerating" tax depreciation. By the methods described in Part I above, these proposals lend themselves to quantification, both as to their quality as investment incentives and as to the probable revenue losses which would be experienced in the event they were adopted. They are reviewed in this section in descending order of their stimulative effect, quantified as: (1) asset price reduction equivalents; (2) effective tax rates implied; and (3) rate of return. In all cases, the standard of reference is to the current situation of business taxpayers assumed to be using DDB methods, able to satisfy the reserve ratio test and following the half-year convention (see below for explanation). It is also assumed that a 12 percent after-tax rate of return is representative of the current situation; thus 12 percent is the discount rate which has been employed to calculate the differential incentive effects of the proposals.⁹ And finally, all calculations are based on the assumption that no more than depreciable basis (original basis less salvage) is depreciated.¹⁰

(1) Provide an Initial 40 Percent Allowance

A method for accelerating tax depreciation is the provision of an arbitrary allowance, usually expressed as a percentage of the original basis of the asset, in the first year of

Footnotes at end of article.

asset ownership. Since this method merely moves a portion of the aggregate allowable depreciation forward in time, it obviously results in acceleration in a manner easily controlled by the size of the initial allowance. The use of an initial allowance, sometimes called partial expensing, may be found in the tax laws of some foreign countries and in the financial accounting practices of domestic corporations. Here we consider the effect of a 40 percent initial allowance, but the measures presented may easily be adapted to smaller allowances by a proportionality factor.

Due to the fundamental characteristic of an initial allowance that a fixed proportion

of the depreciation occurs in the initial year, its economic effectiveness increases with the expected life of the asset for which it is allowed.¹¹ This is shown in Tables 3, 4, and 5: Table 3 shows that, as compared with the situation of taxpayers under present law, provision of a 40 percent initial allowance is the equivalent of an 8.4 percent asset price reduction to 48 percent taxpayers owning 10 year assets but a 15.1 percent price reduction to owners of 50 years assets; and for 22 percent taxpayers, the corresponding asset price reduction equivalents are 3.1 and 6.5 percent. Similarly, in Table 4 it may be seen that the effective tax rate of nominal 48 percent tax-

payers would be reduced to 37.9 percent in the case of 10 year assets by a 40 percent initial allowance, and to 36.8 percent in the case of 50 year assets; the corresponding effective tax rates for nominal 22 percent taxpayers would be 15.7 and 15.1 percent. Or, put a third way, Table 5 shows that a 48 percent taxpayer would have his 12 percent rate of return on 10 year assets raised to 14.3 percent by a 40 percent initial allowance, whereas the rate of return on 50 year assets would be increased to 14.6 percent; and as with the previous measures, the 22 percent taxpayer's rate of return shows less beneficial effects, rising from 12 percent to 13.0 and 13.1 percent of 10 and 50 year assets, respectively.

Footnotes at end of article.

TABLE 3.—ASSET PRICE REDUCTION EQUIVALENTS OF SELECTED TAX DEPRECIATION POLICY CHANGES, BY LENGTH OF USEFUL LIFE, FOR TAX RATES OF 22 AND 48 PERCENT

Present useful life, in years	Asset price reduction equivalents, if the tax rate is—								Asset price reduction equivalents, if the tax rate is—								
	22 percent				48 percent				22 percent				48 percent				
	Tax depreciation policy options								Tax depreciation policy options								
	Full-year convention	300 percent declining balance	40 percent shorter lives	40 percent initial allowance	Full-year convention	300 percent declining balance	40 percent shorter lives	40 percent initial allowance		Full-year convention	300 percent declining balance	40 percent shorter lives	40 percent initial allowance	Full-year convention	300 percent declining balance	40 percent shorter lives	40 percent initial allowance
3	1.35	1.16	1.16	1.01	4.04	3.49	3.49	3.04	32	.47	2.19	3.16	5.68	1.14	5.31	7.65	13.75
4	1.24	1.29	2.11	1.39	3.64	3.80	6.22	4.08	33	.46	2.18	3.01	5.74	1.11	5.26	7.26	13.86
5	1.20	1.44	1.87	1.74	3.48	4.18	5.39	5.03	34	.45	2.17	3.17	5.80	1.08	5.22	7.63	13.97
6	1.12	1.55	1.72	2.05	3.19	4.43	4.89	5.84	35	.44	2.15	3.02	5.86	1.06	5.17	7.26	14.07
7	1.09	1.67	2.48	2.35	3.05	4.69	6.96	6.58	36	.43	2.14	2.88	5.91	1.03	5.13	6.91	14.16
8	1.02	1.76	2.27	2.61	2.83	4.87	6.30	7.23	37	.42	2.13	3.02	5.96	1.01	5.08	7.23	14.25
9	.99	1.85	2.92	2.86	2.71	5.06	8.01	7.83	38	.41	2.11	2.89	6.01	.99	5.04	6.89	14.34
10	.93	1.91	2.73	3.09	2.53	5.19	7.39	8.37	39	.40	2.09	3.02	6.05	.96	4.99	7.19	14.42
11	.91	1.98	2.54	3.30	2.43	5.32	6.81	8.86	40	.40	2.08	2.89	6.10	.94	4.95	6.86	14.50
12	.86	2.03	3.06	3.50	2.29	5.40	8.14	9.30	41	.39	2.06	2.76	6.14	.92	4.90	6.55	14.58
13	.83	2.08	2.87	3.68	2.20	5.49	7.57	9.71	42	.38	2.05	2.88	6.18	.90	4.85	6.82	14.65
14	.80	2.12	3.33	3.85	2.09	5.54	8.71	10.09	43	.37	2.03	2.76	6.22	.89	4.81	6.53	14.72
15	.77	2.15	3.11	4.02	2.01	5.60	8.09	10.43	44	.37	2.02	2.87	6.26	.87	4.76	6.77	14.79
16	.74	2.18	2.92	4.17	1.91	5.62	7.54	10.75	45	.36	2.00	2.75	6.29	.85	4.72	6.48	14.85
17	.72	2.20	3.31	4.31	1.85	5.65	8.48	11.05	46	.35	1.98	2.64	6.33	.84	4.67	6.21	14.91
18	.69	2.22	3.10	4.44	1.77	5.66	7.91	11.32	47	.35	1.97	2.74	6.36	.82	4.63	6.44	14.97
19	.67	2.23	3.44	4.56	1.71	5.67	8.73	11.58	48	.34	1.95	2.63	6.40	.81	4.58	6.17	15.03
20	.65	2.24	3.24	4.68	1.64	5.66	8.19	11.81	49	.34	1.93	2.72	6.43	.79	4.54	6.38	15.08
21	.63	2.25	3.06	4.79	1.59	5.65	7.67	12.04	50	.33	1.92	2.61	6.46	.78	4.50	6.13	15.14
22	.61	2.25	3.34	4.90	1.53	5.64	8.36	12.24	51	.33	1.90	2.52	6.49	.76	4.46	5.89	15.19
23	.59	2.26	3.16	5.00	1.48	5.62	7.87	12.44	52	.32	1.89	2.60	6.52	.75	4.41	6.08	15.24
24	.58	2.26	3.42	5.09	1.43	5.59	8.47	12.62	53	.32	1.87	2.50	6.54	.74	4.37	5.85	15.29
25	.56	2.25	3.23	5.21	1.39	5.57	7.98	12.79	54	.31	1.86	2.58	6.57	.73	4.33	6.03	15.33
26	.55	2.25	3.06	5.26	1.34	5.54	7.53	12.95	55	.31	1.84	2.49	6.60	.72	4.29	5.80	15.38
27	.53	2.24	3.28	5.34	1.31	5.50	8.05	13.11	56	.30	1.82	2.40	6.62	.70	4.25	5.59	15.42
28	.52	2.23	3.11	5.42	1.27	5.47	7.60	13.25	57	.30	1.81	2.47	6.65	.69	4.21	5.75	15.46
29	.51	2.23	3.31	5.49	1.23	5.43	8.07	13.39	58	.29	1.79	2.39	6.67	.68	4.17	5.55	15.51
30	.49	2.22	3.14	5.56	1.20	5.39	7.65	13.51	59	.29	1.78	2.45	6.69	.67	4.13	5.70	15.54
31	.48	2.21	2.99	5.62	1.17	5.35	7.24	13.64	60	.29	1.76	2.37	6.72	.66	4.09	5.50	15.58

¹¹ The price reduction equivalents are computed on the assumptions that taxpayers presently use double-declining balance methods for tax depreciation, that actual lives are sufficiently close to tax lives, that the reserve ratio test would be satisfied, and that the discount rate is 12 percent.

TABLE 4.—EFFECTIVE TAX RATE EQUIVALENTS OF SELECTED TAX DEPRECIATION POLICY CHANGES, BY LENGTH OF USEFUL LIFE, FOR TAX RATES OF 22 AND 48 PERCENT¹

Present useful life, in years	Tax depreciation policy options:								Tax depreciation policy options:								
	Effective tax rate equivalents, if present tax rate is—				Effective tax rate equivalents, if present tax rate is—				Effective tax rate equivalents, if present tax rate is—				Effective tax rate equivalents, if present tax rate is—				
	22 percent		48 percent		22 percent		48 percent		22 percent		48 percent		22 percent		48 percent		
	Full year convention	300 percent declining balance	40 percent shorter lives	40 percent initial allowance	Full year convention	300 percent declining balance	40 percent shorter lives	40 percent initial allowance		Full year convention	300 percent declining balance	40 percent shorter lives	40 percent initial allowance	Full year convention	300 percent declining balance	40 percent shorter lives	40 percent initial allowance
3	15.8	16.7	16.7	17.4	38.0	39.6	39.6	40.9	27	21.4	19.3	18.0	15.2	47.1	43.9	41.8	37.0
4	17.5	17.2	13.9	16.9	40.9	40.5	34.6	39.9	28	21.4	19.3	18.2	15.2	47.1	44.0	42.2	37.0
5	18.3	17.5	16.1	16.5	42.3	41.0	38.5	39.3	29	21.4	19.4	18.0	15.2	47.1	44.0	41.9	37.0
6	19.0	17.7	17.2	16.3	43.4	41.3	40.6	38.8	30	21.4	19.4	18.3	15.2	47.2	44.1	42.3	36.9
7	19.4	17.9	15.7	16.1	44.0	41.6	37.9	38.5	31	21.5	19.5	18.5	15.2	47.2	44.2	42.7	36.9
8	19.7	18.0	16.8	15.9	44.6	41.8	39.7	38.3	32	21.5	19.5	18.3	15.2	47.2	44.2	42.4	36.9
9	20.0	18.1	15.7	15.8	45.0	42.0	37.8	38.1	33	21.5	19.5	18.6	15.2	47.3	44.3	42.7	36.9
10	20.2	18.2	16.5	15.7	45.3	42.2	39.3	37.9	34	21.5	19.6	18.4	15.2	47.3	44.3	42.5	36.9
11	20.4	18.3	17.2	15.7	45.6	42.3	40.5	37.8	35	21.5	19.6	18.6	15.1	47.3	44.4	42.8	36.9
12	20.5	18.4	16.5	15.6	45.8	42.5	39.2	37.7	36	21.5	19.6	18.8	15.1	47.3	44.5	43.1	36.9
13	20.6	18.5	17.1	15.5	46.0	42.6	40.2	37.6	37	21.6	19.7	18.7	15.1	47.3	44.5	42.9	36.8
14	20.7	18.6	16.4	15.5	46.1	42.7	39.2	37.5	38	21.6	19.7	18.8	15.1	47.9	44.6	43.2	36.8
15	20.8	18.6	17.0	15.5	46.3	42.8	40.2	37.4	39	21.6	19.7	18.7	15.1	47.4	44.5	43.0	36.8
16	20.9	18.7	17.5	15.4	46.4	42.9	41.0	37.4	40	21.6	19.8	18.9	15.1	47.4	44.7	43.2	36.8
17	21.0	18.8	17.0	15.4	46.5	43.0	40.2	37.3	41	21.6	19.8	19.0	15.1	47.4	44.7	43.5	36.8
18	21.0	18.8	17.5	15.4	46.5	43.1	40.9	37.3	42	21.6	19.6	18.9	15.1	47.4	44.8	43.3	36.8
19	21.1	18.9	17.1	15.3	46.5	43.2	40.3	37.2	43	21.6	19.9	19.1	15.1	47.4	44.8	43.6	36.8
20	21.1	18.9	17.5	15.3	46.7	43.3	41.0	37.2	44	21.6	19.9	19.0	15.1	47.5	44.3	43.4	36.8
21	21.2	19.0	17.9	15.3	46.8	43.4	41.6	37.2	45	21.6	19.9	19.1	15.1	47.5	44.9	43.6	36.3
22	21.2	19.0	17.5	15.3	46.9	43.5	41.0	37.1	46	21.6	20.0	19.3	15.1	47.5	44.9	43.8	36.8
23	21.3	19.1	17.9	15.3	46.9	43.6	41.6	37.1	47	21.7	20.0	19.2	15.1	47.5	45.0	43.7	36.8
24	21.3	19.1	17.6	15.3	47.0	43.7	41.1	37.1	48	21.7	20.0	19.3	15.1	47.5	45.0	43.9	36.8
25	21.3	19.2	17.9	15.2	47.0	43.7	41.7	37.0	49	21.7	20.0	19.2	15.1	47.5	45.1	43.8	36.3
26	21.3	19.2	18.2	15.2	47.0	43.8	42.1	37.0	50	23.7	20.1	19.3	15.1	47.5	45.1	44.0	36.8

¹ The effective tax rate equivalents are computed on the assumptions that taxpayers presently use double declining balance methods for tax depreciation, that actual lives are sufficiently close to tax lives that the reserve ratio test would be satisfied, and that the discount rate is 12 percent.

TABLE 5.—AFTER TAX RATE OF RETURN EQUIVALENTS OF SELECTED TAX DEPRECIATION POLICY CHANGES, BY LENGTH OF USEFUL LIFE, FOR TAX RATES OF 22 AND 48 PERCENT¹

Present useful life, in years	Tax depreciation policy options:								Tax depreciation policy options:								
	After tax rate of return equivalent, if the tax rate is—								After tax rate of return equivalent, if the tax rate is—								
	22 percent				48 percent				22 percent				48 percent				
	Full year convention	300 percent declining balance	40 percent shorter lives	40 percent initial allowance	Full year convention	300 percent declining balance	40 percent shorter lives	40 percent initial allowance		Full year convention	300 percent declining balance	40 percent shorter lives	40 percent initial allowance	Full year convention	300 percent declining balance	40 percent shorter lives	40 percent initial allowance
3	13.0	12.8	12.8	12.7	14.3	13.9	13.9	13.6	27	12.1	12.4	12.6	13.0	12.2	12.9	13.4	14.5
4	12.7	12.7	13.2	12.8	13.6	13.7	15.1	13.9	28	12.1	12.4	12.6	13.0	12.2	12.9	13.3	14.5
5	12.6	12.7	12.9	12.8	13.3	13.6	14.2	14.0	29	12.1	12.4	12.6	13.0	12.2	12.9	13.4	14.5
6	12.5	12.7	12.7	12.9	13.1	13.5	13.7	14.1	30	12.1	12.4	12.6	13.0	12.2	12.9	13.3	14.6
7	12.4	12.6	13.0	12.9	12.9	13.5	14.3	14.2	31	12.1	12.4	12.5	13.1	12.2	12.9	13.2	14.6
8	12.3	12.6	12.8	12.9	12.8	13.4	13.9	14.2	32	12.1	12.4	12.6	13.1	12.2	12.9	13.3	14.6
9	12.3	12.6	13.0	13.0	12.7	13.4	14.4	14.3	33	12.1	12.4	12.5	13.1	12.2	12.9	13.2	14.6
10	12.3	12.6	12.8	13.0	12.6	13.3	14.0	14.3	34	12.1	12.4	12.6	13.1	12.2	12.8	13.3	14.6
11	12.3	12.6	12.7	13.0	12.6	13.3	13.7	14.4	35	12.1	12.4	12.5	13.1	12.2	12.8	13.2	14.6
12	12.2	12.6	12.9	13.0	12.5	13.3	14.0	14.4	36	12.1	12.4	12.5	13.1	12.2	12.8	13.1	14.6
13	12.2	12.5	12.8	13.0	12.5	13.2	13.8	14.4	37	12.1	12.4	12.5	13.1	12.2	12.8	13.2	14.6
14	12.2	12.5	12.9	13.0	12.4	13.2	14.0	14.4	38	12.1	12.4	12.5	13.1	12.1	12.8	13.1	14.6
15	12.2	12.5	12.8	13.0	12.4	13.2	13.8	14.4	39	12.1	12.3	12.5	13.1	12.1	12.8	13.2	14.6
16	12.2	12.5	12.7	13.0	12.4	13.2	13.6	14.5	40	12.1	12.3	12.5	13.1	12.1	12.8	13.1	14.6
17	12.2	12.5	12.8	13.0	12.4	13.1	13.8	14.5	41	12.1	12.3	12.5	13.1	12.1	12.8	13.0	14.6
18	12.1	12.5	12.7	13.0	12.3	13.1	13.6	14.5	42	12.1	12.3	12.5	13.1	12.1	12.7	13.1	14.6
19	12.1	12.5	12.8	13.0	12.3	13.1	13.8	14.5	43	12.1	12.3	12.4	13.1	12.1	12.7	13.0	14.6
20	12.1	12.5	12.7	13.0	12.3	13.1	13.6	14.5	44	12.1	12.3	12.5	13.1	12.1	12.7	13.1	14.6
21	12.1	12.5	12.6	13.0	12.3	13.1	13.5	14.5	45	12.1	12.3	12.4	13.1	12.1	12.7	13.0	14.6
22	12.1	12.5	12.7	13.0	12.3	13.0	13.6	14.5	46	12.1	12.3	12.4	13.1	12.1	12.7	13.0	14.6
23	12.1	12.4	12.6	13.0	12.3	13.0	13.5	14.5	47	12.1	12.3	12.4	13.1	12.1	12.7	13.0	14.6
24	12.1	12.4	12.7	13.0	12.2	13.0	13.6	14.5	48	12.1	12.3	12.4	13.1	12.1	12.7	12.9	14.6
25	12.1	12.4	12.6	13.0	12.2	13.0	13.5	14.5	49	12.1	12.3	12.4	13.1	12.1	12.7	13.0	14.6
26	12.1	12.4	12.6	13.0	12.2	13.0	13.4	14.5	50	12.1	12.3	12.4	13.1	12.1	12.7	12.9	14.6

¹The after tax rate of return equivalents are computed on the assumptions that taxpayers presently use double declining balance methods for tax depreciation, that actual lives are sufficiently close to tax lives, that the reserve ratio test would be satisfied, and that the discount rate is 12 percent.

(2) Shorten Useful (Tax) Lives by 40 Percent

In the discussion of the reserve ratio test above, it was noted that a primary motive of proponents of its abandonment is to achieve acceleration of tax depreciation. If the reserve ratio were abandoned and if guideline lives were shortened by 40 percent, the same approximate ratio by which Bulletin F lives were lowered in the Guideline listings published in 1962, the benefits to business taxpayers resulting from the change are also shown in Tables 3-5.¹² In this instance the effectiveness of the policy change again varies with expected life of the asset, but due to the interaction between the depreciation rate and discount rate, the value of the benefit peaks for assets with approximately 20 year expected lives.¹³ On the whole, shortening lives still awards the greater incentives to assets with expected lives greater than 10 years than to those with shorter expected lives.

(3) Declining Balance Depreciation Rates Greater than Double the Straight Line Rate

Just as introduction of double declining balance depreciation methods in 1954 accelerated the taking of depreciation deductions, so would an increase in the declining balance rate above twice the straight line rate further accelerate depreciation and thereby increase the present value of tax depreciation deductions. Although in principle any allowable declining balance rate less than unity¹⁴ but greater than twice the straight line rate would produce acceleration, we here examine only the effects of "triple declining balance" rates, i.e., rates three times the straight line rate to be applied to the undepreciated balance. Measures of the effectiveness of accelerating depreciation by triple declining balance tax depreciation (with tax lives assumed equal to expected lives) are also presented in Tables 3-5. As in the instance of arbitrarily shortened lives, due to the interaction between the depreciation rate and the discount rate, the value of acceleration provided by this policy also peaks for 20 year assets.

However, while the incentive effect yielded by triple declining balance depreciation to

a 48 percent taxpayer owning a 20 year asset is the equivalent of a price reduction of 5.7 percent (Table 3), or a reduction in his effective tax rate to 41 percent (Table 4), or an increase in his rate of return from 12 to 13.6 percent (Table 5), the corresponding incentive effects are nearly 40 percent greater with a shortening of lives. On the whole, a 40 percent shortening of lives produces a much larger benefit to business taxpayers than does triple declining balance, but both policies are less powerful investment incentives than is the 40 percent initial allowance.

(4) Permit Full Year's Depreciation Deduction in Year of Acquisition

Since most business taxpayers possess numerous depreciable assets, the stock of which is continuously being replaced or added to, taxpayers either must keep detailed property records in order to establish the period of time during a tax year they have owned depreciable assets in order to determine allowable depreciation, or they must consistently follow the simple convention that all assets acquired during a year were acquired at mid-year. This convention, called the "half-year" convention, assumes that assets are acquired at a uniform rate during the year and have been held for half a year, on the average. One way, then, to accelerate the taking of depreciation deductions by business taxpayers is to replace the half-year with a full-year convention. This would move up depreciation deductions a full six months and correspondingly increase their present value. Naturally, as compared with the options previously discussed, this yields a weak investment incentive. Moreover, as may be seen in Tables 3-5, the inherent characteristic of this policy change causes it to provide an incentive which varies inversely with asset life: moving up a 50 year stream of deductions six months can have relatively little effect compared with moving up a five year stream the same six months. This is easily seen in Tables 3-5: For a 48 percent taxpayer with a five-year asset, permitting a full-year convention is equivalent to a 3.5 percent asset price reduction, or a reduction in effective tax rate to 42.3 percent, or an increase in rate of return from 12 to 13.3 percent; the corresponding equiv-

alents for a 50 year asset are an 0.8 percent asset price reduction, an effective tax rate of 47.5 percent, and a rate of return of 12.1 percent.

(5) Summary

As might be expected, depreciation liberalization provides a highly variable set of incentives. With the exception of substitution of the full-year for half-year convention, all conventional "accelerating" policies tend to favor longer-lived as compared with shorter-lived assets. Thus, while depreciation liberalization constitutes a controllable investment incentive, it necessarily induces distortions of the pattern of private investment. Ironically, the distortions are most severe precisely in those instances when investment incentives may be expected to be effective, that is, in those industries which are capital intensive but which differ among each other in the expected useful lives of the assets they employ. Finally, investment incentives provided through tax depreciation policy necessarily favor large relatively to small businesses since so much of the value of the incentive is dependent on tax deferral and, hence, on the nominal tax rate.

PART III. REVENUE ESTIMATES

In much the same way that evaluation of the incentive effects of depreciation tax policies is complicated by a need to compare different time patterns of depreciation deductions, so are estimates of the revenue losses that might result. When a depreciation policy is liberalized, even if the new policy is limited to newly acquired assets, revenue losses mount rapidly, for the assets acquired each year include, largely, replacements of assets which had been subject to the old policy. As a consequence, the rapid growth of assets eligible for the liberalized depreciation generates a large volume of deductions and revenue losses. As the stock of depreciable assets eligible for the liberalized depreciation grow through an average replacement cycle, the bulge of depreciation deductions moderates and, in the absence of sufficiently large net growth in the stock itself, will actually turn down. But, if there is a normal underlying growth trend, revenue losses continue to mount, for the growth in newly acquired assets ensures that depreciation deductions attributable to "young" assets

Footnotes at end of article.

will outweigh those contributed by "old" assets. Thus, estimates of the change in future levels of deductions may be derived only from projections of annual investments and by calculating the effect of depreciation policy changes on depreciation deductions attributable to these investments.

In order to systematize the revenue estimation process and to provide detail which might assist in the evaluation of investment incentive benefits corresponding to the estimates of revenue loss, the Treasury Department has developed a computer model for the purpose. The basic inputs to this model are: (1) a set of estimated 1971 gross investment expenditures, in 62 different asset-industry categories, which are listed in Appendix A and (2) a set of corresponding useful lives, also shown in Appendix A. The investment expenditures are consistent with projections of the Council of Economic Advisors when estimated expenditures for owner-occupied dwellings are eliminated from their estimates. Altogether, the basic investment input to the model estimates a gross expenditure on tax depreciable assets of \$126 billion in 1971, 60 percent of which is estimated as expenditures on machinery and equipment, 40 percent on structures. (See Table 6.) And since depreciable basis will grow corresponding to some growth rate, the computer model applies a uniform growth rate of 5 percent to the 1971 figures to derive

annual gross investment in depreciable assets beyond 1971.¹⁵

In computing the revenue losses which will be generated by this fixed composition of future outlays, the computer model employed this logic:

(1) Each depreciation policy change proposal was compared with the present law situation in each of the 62 asset categories to determine the annual differences in depreciation deductions which would result from the change. In computing this change, recognition was given to the fact that, for a number of reasons, not all assets in all categories are depreciated by the most accelerated methods allowed under present law (see Appendix A).

(2) The extra depreciation deductions thus computed were summed and converted into estimated revenue losses by applying an average tax rate of 45 percent. This tax rate has proved reliable in previous business income tax revenue estimations and appears to successfully reflect the composition of corporate and unincorporated businesses as well as the proportion of business income not subject to tax because of carry-forward of operating losses by enterprises.

The estimates of tax revenue loss associated with a variety of tax depreciation policy changes produced by the computer model are

Footnotes at end of article.

shown in Table 7 for specified years, 1971 to 1990; the full listing of estimates by year, 1971 to 1995 may be found in Appendix B. For convenience in appraising the magnitudes of revenue loss estimates, the first row of Table 7 presents a set of present law business income tax revenue estimates; this reference estimate includes taxes attributable to both unincorporated enterprises and corporations and is based upon assumptions which are consistent with those underlying the revenue loss estimates. The sections immediately following review the revenue estimates, and this part is concluded with a brief discussion of the relevance of induced economic growth in an evaluation of these revenue estimates.

A. Initial allowances

In Part II the investment incentive effectiveness of a 40 percent initial allowance was noted as exceeding that of the other depreciation liberalization policies examined. Reflecting this, the estimated revenue losses shown in Table 7 are also largest of the options examined. Because initial allowances immediately increase taxpayers' depreciation deductions (and subsequently lower them), the first year effect is considerable, an estimated \$21 billion, which is nearly 44 percent of the reference business income tax level in 1971.

TABLE 6.—ESTIMATED 1971 GROSS INVESTMENT EXPENDITURES

[Dollar amounts in billions]

	Total		Equipment		Structures	
	Amount	Percent	Amount	Percent	Amount	Percent
Industry:						
All industries.....	\$126	100	\$76	100	\$50	100
Percent.....	(100)		(60)		(40)	
Nonfarm:						
Manufacturing.....	26	21	19	25	7	14
Percent.....	(100)		(73)		(27)	
Nonmanufacturing.....	93	74	50	66	43	86
Percent.....	(100)		(54)		(46)	
Farm.....	8	6	7	9	1	2
Percent.....	(100)		(88)		(12)	

Note.—Individual entries may not add to totals due to rounding. Source: See app. A.

TABLE 7.—ESTIMATED REVENUE LOSSES ASSOCIATED WITH SPECIFIED CHANGES IN TAX DEPRECIATION POLICY, BY INDUSTRY CATEGORY AND CLASS OF DEPRECIABLE ASSETS; SELECTED CALENDAR YEARS 1971 TO 1990

Item	Estimated revenues (billions of dollars)					Item	Estimated revenues (billions of dollars)				
	1975 ¹	1975	1980	1985	1990		1975 ¹	1975	1980	1985	1990
Total business income taxes, reference estimate ²	48	58	74	95	121	Equipment:					
REVENUE LOSSES						40 percent initial allowance.....	8.0	4.3	2.7	2.9	3.6
Total, all industries:						20 percent initial allowance.....	4.0	2.2	1.3	1.4	1.8
40 percent initial allowance.....	21.0	15.9	14.1	15.3	18.2	40 percent shorter lives.....	1.3	5.5	3.4	2.7	3.2
20 percent initial allowance.....	10.5	7.9	7.0	7.7	9.1	20 percent shorter lives.....	.5	2.3	1.8	1.3	1.5
40 percent shorter lives.....	2.3	11.2	10.9	12.6	16.4	300 percent declining balance.....	.8	2.0	1.1	1.0	1.3
20 percent shorter lives.....	.9	4.7	5.3	5.4	7.2	Full year convention.....	2.5	1.4	.9	1.0	1.2
300 percent declining balance.....	1.7	6.0	6.3	7.3	8.6	7 percent investment credit ³	2.3	2.7	3.5	4.5	5.7
Full year convention.....	4.1	2.6	2.2	2.1	2.7	Structures:					
7 percent investment credit ³	5.6	6.9	8.8	11.2	14.3	40 percent initial allowance.....	7.5	7.7	8.2	9.1	10.5
Equipment:						20 percent initial allowance.....	3.7	3.8	4.1	4.6	5.3
40 percent initial allowance.....	12.2	6.8	4.3	4.4	5.6	40 percent shorter lives.....	.3	2.5	4.9	7.1	9.3
20 percent initial allowance.....	6.1	3.4	2.2	2.2	2.8	20 percent shorter lives.....	.1	.9	2.0	2.9	4.0
40 percent shorter lives.....	1.9	8.4	5.3	4.2	5.1	300 percent declining balance.....	.3	2.1	3.6	4.4	5.1
20 percent shorter lives.....	.8	3.7	3.1	2.1	2.4	Full year convention.....	.5	.5	.5	.6	.8
300 percent declining balance.....	1.3	3.4	2.0	1.8	2.2	7 percent investment credit ³	1.9	2.3	3.0	3.8	4.8
Full year convention.....	3.6	2.1	1.5	1.4	1.8	Total, Manufacturing:					
7 percent investment credit ³	3.4	4.1	5.3	6.7	8.6	40 percent initial allowance.....	4.3	3.0	2.5	2.7	3.3
Structures:						20 percent initial allowance.....	2.1	1.5	1.3	1.4	1.6
40 percent initial allowance.....	8.8	9.1	9.8	10.9	12.6	40 percent shorter lives.....	.5	2.4	2.2	2.2	3.1
20 percent initial allowance.....	4.4	4.5	4.9	5.5	6.3	20 percent shorter lives.....	.2	1.0	1.2	.9	1.3
40 percent shorter lives.....	.4	2.8	5.7	8.4	11.2	300 percent declining balance.....	.4	1.6	1.5	1.6	1.9
20 percent shorter lives.....	.1	1.1	2.3	3.4	4.8	Full year convention.....	.9	.6	.5	.4	.6
300 percent declining balance.....	.4	2.6	4.4	5.5	6.4	7 percent investment credit ³	1.2	1.4	1.8	2.3	2.9
Full year convention.....	.5	.6	.6	.7	.9	Equipment:					
7 percent investment credit ³	2.3	2.7	3.5	4.5	5.7	40 percent initial allowance.....	3.1	1.8	1.2	1.2	1.5
Total, nonfarm, nonmanufacturing:						20 percent initial allowance.....	1.6	.9	.6	.6	.7
40 percent initial allowance.....	15.5	12.0	10.9	12.0	14.1	40 percent shorter lives.....	.5	2.1	1.5	1.1	1.4
20 percent initial allowance.....	7.8	6.0	5.5	6.0	7.0	20 percent shorter lives.....	.2	.9	.9	.5	.6
40 percent shorter lives.....	1.6	8.0	8.1	9.8	12.5	300 percent declining balance.....	.4	1.2	.7	.6	.7
20 percent shorter lives.....	.6	3.3	3.7	4.2	5.6	Full year convention.....	.9	.5	.4	.4	.4
300 percent declining balance.....	1.1	4.1	4.6	5.4	6.4	7 percent investment credit ³.....	.9	1.0	1.3	1.7	2.2
Full year convention.....	3.0	1.9	1.5	1.6	2.0	Structures:					
7 percent investment credit ³	4.2	5.1	6.5	8.3	10.6	40 percent initial allowance.....	1.2	1.2	1.4	1.6	1.8

Footnotes at end of table.

TABLE 7.—ESTIMATED REVENUE LOSSES ASSOCIATED WITH SPECIFIED CHANGES IN TAX DEPRECIATION POLICY, BY INDUSTRY CATEGORY AND CLASS OF DEPRECIABLE ASSETS SELECTED CALENDAR YEARS 1971 TO 1990—Continued

Item	Estimated revenues (billions of dollars)					Item	Estimated revenues (billions of dollars)				
	1975 ¹	1975	1980	1985	1990		1975 ¹	1975	1980	1985	1990
REVENUE LOSSES											
Structures:						Equipment:					
20 percent shorter lives.....	(9)	0.1	0.3	0.4	0.7	40 percent initial allowance.....	1.0	0.7	0.4	0.4	0.5
300 percent declining balance.....	0.1	.4	.7	1.0	1.2	20 percent initial allowance.....	.5	.4	.2	.2	.3
Full year convention.....	.1	.1	.1	.1	.1	40 percent shorter lives.....	.1	.8	.6	.4	.5
7 percent investment credit ².....	.3	.4	.5	.6	.8	20 percent shorter lives.....	.1	.4	.4	.2	.3
Total, farm:						300 percent declining balance.....	.1	.3	.2	.1	.2
40 percent initial allowance.....	1.2	.9	.6	.7	.8	Full year convention.....	.2	.2	.1	.1	.1
20 percent initial allowance.....	.6	.4	.3	.3	.4	7 percent investment credit ².....	.3	.3	.4	.6	.7
40 percent shorter lives.....	.1	.8	.7	.6	.8	Structures:					
20 percent shorter lives.....	.6	.4	.4	.3	.4	40 percent initial allowance.....	.2	.2	.2	.2	.3
300 percent declining balance.....	.1	.4	.3	.3	.3	20 percent initial allowance.....	.1	.1	.1	.1	.1
Full year convention.....	.2	.2	.2	.1	.2	40 percent shorter lives.....	(9)	(9)	.1	.2	.3
7 percent investment credit ².....	.3	.4	.5	.6	.8	20 percent shorter lives.....	(9)	(9)	(9)	.1	.1
						300 percent declining balance.....	(9)	(9)	.1	.1	.1
						Full year convention.....	(9)	(9)	(9)	(9)	(9)
						7 percent investment credit ²	(9)	.1	.1	.1	.1

¹ Revenue estimates for tax policy changes were computed on the assumption changes would apply to property put in place after Dec. 31, 1970. Thus, in the case of initial allowances and adoption of the full year convention, full year benefits are available in 1971; but in the cases of shortened tax lives and 300 percent declining balance depreciation, under the present half year convention, only one-half the annual benefit is available in 1971.

² Includes estimates for unincorporated enterprises and corporations electing to be taxed as partnerships under Subchapter S of the Internal Revenue Code. Does not include estimates of reductions in tax payable due to investment credit for prerrepeal property placed in service during

The revenue losses decline for approximately eight years, at which time the continued effect of the growth rate has begun to offset the effect of diminished depreciation deductions for assets acquired in the initial years of the policy change. By 1990, the 40 percent initial allowance would generate a revenue loss of \$18.2 billion, which is then 15 percent of the reference business tax level. A 20 percent initial allowance, which would have half the effectiveness of a 40 percent allowance, has the same time pattern of revenue losses but at half the cost.

The distribution of these tax losses (and the benefits) is shown in Table 8. In the first year, 74 percent of the revenue loss is absorbed by non-farm, non-manufacturing enterprises, and by 1990, a year which is representative of the long run impact, the share absorbed by this sector of the economy has risen to 77 percent. On the whole, the distribution of benefits from this depreciation policy change roughly matches the pattern of investment by sector: manufacturing investment expenditure is 21 percent of the

calendar year 1971, and thereafter, nor due to unused prerrepeal credit carried forward. The estimates for 1971 and later years are constructed to be consistent with the basis on which revenue losses were estimated; they assume full employment and an annual growth rate of 5 percent.

³ It is assumed that the investment credit is only 65 percent effective, as suggested by the experience of 1962-68 under the investment credit for machinery and equipment. Less stringent income limitations on eligibility for the credit and more generous allowance of the credit for assets of shorter life would increase the percentage effectiveness of an investment credit.

⁴ Less than \$50,000,000.

total (see Table 6) and will generate 18 percent of long run tax losses while farm investment expenditure is approximately 8 percent of the total and generates 4 percent of the tax losses. However, investment in structures, which accounts for only 40 percent of estimated annual expenditure on depreciable assets, absorb 69 percent of the 1990 tax loss. The reason for this increasing share of tax losses being attributed to structures is their markedly longer useful life.

TABLE 8.—SUMMARY ESTIMATED REVENUE LOSSES, BY INDUSTRY CATEGORY AND CLASS OF DEPRECIABLE ASSETS, 1971 AND 1990

(Dollar amounts in billions)

Tax policy change, industrial category	Estimated revenue loss											
	1971						1990					
	Total		Equipment		Structures		Total		Equipment		Structures	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
40 percent initial allowance:												
All industries.....	\$21.0	100	\$12.2	100	\$8.8	100	\$18.2	100	\$5.6	100	\$12.6	100
Percent.....	(100)		(58)		(42)		(100)		(31)		(69)	
Nonfarm:												
Manufacturing.....	4.3	20	3.1	25	1.2	13	3.3	18	1.5	26	1.8	14
Percent.....	(100)		(72)		(28)		(100)		(44)		(56)	
Nonmanufacturing.....	15.5	74	8.0	66	7.5	85	14.1	77	3.6	64	10.5	83
Percent.....	(100)		(52)		(48)		(100)		(25)		(75)	
Farm.....	1.2	6	1.0	8	.2	2	.8	4	.5	10	.3	2
Percent.....	(100)		(86)		(14)		(100)		(68)		(32)	
40 percent shorter lives:												
All industries.....	2.3	100	1.9	100	.4	100	16.4	100	5.1	100	11.2	100
Percent.....	(100)		(84)		(15)		(100)		(31)		(69)	
Nonfarm:												
Manufacturing.....	.5	24	.5	26	(9)	11	3.1	19	1.4	27	1.7	15
Percent.....	(100)		(93)		(7)		(100)		(44)		(56)	
Nonmanufacturing.....	1.6	70	1.3	66	.3	87	12.5	76	3.2	63	9.3	82
Percent.....	(100)		(81)		(19)		(100)		(26)		(74)	
Farm.....	.1	6	.1	7	(9)	2	.8	5	.5	10	.3	2
Percent.....	(100)		(96)		(4)		(100)		(66)		(34)	
300 percent declining balance depreciation:												
All industries.....	1.7	100	1.3	100	.4	100	8.6	100	2.2	100	6.4	100
Percent.....	(100)		(79)		(21)		(100)		(25)		(74)	
Nonfarm:												
Manufacturing.....	.4	26	.4	29	.1	14	1.9	22	.7	34	1.2	18
Percent.....	(100)		(88)		(12)		(100)		(20)		(80)	
Nonmanufacturing.....	1.1	69	.8	65	.3	84	6.4	74	1.3	58	5.1	79
Percent.....	(100)		(74)		(26)		(100)		(39)		(61)	
Farm.....	.1	5	.1	6	(9)	2	.3	4	.2	8	.1	2
Percent.....	(100)		(93)		(7)		(100)		(58)		(42)	

Note: Figures may not add to totals due to rounding. Percentages computed on the basis of information from app. B.

¹ Less than \$50,000,000.

As the data in Appendix A indicate, structures have a typical useful life of 35 years whereas half the investment in machinery and equipment has a useful life of seven years or less; and just as 35 year assets derive an investment incentive from a 40 percent

initial allowance that is more than twice as great as the incentive derived by seven year assets, so does a dollar's worth of investment in the 35 year assets generate more than twice the revenue loss of a dollar invested in seven year assets.

B. Abandonment of the Reserve Ratio Test and Shortening of Tax Lives

Second to a 40 percent initial allowance in investment incentive effectiveness is a 40 percent reduction in tax lives; accordingly, it is second in tax costliness. Due to the operation

of the half year convention, the first year loss is only \$2.3 billion, about 5 percent of the 1971 reference business income tax; but, the loss rises to \$16.4 billion by 1990 when it becomes 13.5 percent of the reference tax level. Although, in the very long run, a 20 percent shortening of tax lives will result in half the revenue loss of a 40 percent reduction, the revenue losses are less than half even in 1990. The reason for this is that revenue losses do not stabilize at their long run levels until at least one replacement cycle for all assets has been completed; and since structure loss so large in the total depreciable asset base and also have extremely long lives, not until well after the year 2000 would the revenue loss from 20 percent shorter lives reach half the level of that from 40 percent shorter lives.

The distribution of tax losses (and benefits) from shortening of lives is almost identical with that noted above for initial allowances (see Table 8). Non-farm, non-manufacturing enterprises absorb 76 percent of the revenue loss; overall, structures account for 68 percent of the revenue loss.

C. Declining balance depreciation at 300 percent the straight line rate

Somewhat less effective as an investment incentive than a 40 percent shortening of tax lives, but more effective than a 20 percent shortening would be, is the additional acceleration of depreciation deductions provided by the 300 percent declining balance method. It is not surprising, therefore, that the estimated revenue losses that would result from introducing 300 percent declining balance methods range between the two tax life shortening options. The estimated first year revenue loss with 300 percent declining balance depreciation, again kept low by the half year convention, is \$1.7 billion, or about 3.5 percent of the reference business income tax for 1971, and rises thereafter to \$8.6 billion in 1990 when it would be a little more than 7 percent of the reference level.

Although the distribution of revenue losses under 300 percent declining balance depreciation is not unlike the patterns for the other two depreciation liberalization options portrayed in Table 8, it is noteworthy that the share of the long run revenue loss absorbed by structures is larger, 74 percent as compared with 69 and 68 percent under a 40 percent initial allowance and 40 percent shorter tax lives, respectively. The reason for this is traceable to the present law restriction on non-residential structures' depreciation to that computed by methods no more accelerated than 150 percent declining balance methods. Since machinery and equipment may be depreciated by 200 percent declining balance methods, a change to 300 percent declining balance depreciation is relatively more beneficial to investment in nonresidential structures.

To the extent the distinction between structures and other assets which is presently drawn in the Internal Revenue Code is based upon a real difference between the actual depreciation patterns of the two classes of assets, this serves to emphasize the likelihood that highly generalized changes in tax depreciation policy, or other investment incentives, will unintentionally induce distortions of private investment decisions. Not only do generalized changes have differential incentive effects on different classes of assets due to their differences in durability, as was shown in Part II above, but generalized changes will also disturb the relationship between tax depreciation and what might be called "true" depreciation. For example, at the present time there are doubtlessly assets whose economic depreciation, as manifested in established market prices for assets of different vintages, is more closely described by a large first year decline in value

followed by a constant percentage decline;¹⁶ presently allowable accelerated depreciation formulas impose a real penalty on the ownership of these assets. At the other extreme would be assets whose economic depreciation, also manifested in established market prices, follows a pattern in which there is little decline in value during the first portion of the asset's life and a progressively increasing rate of decline as it approaches its replacement date;¹⁷ presently allowable depreciation methods confer a positive tax benefit, or bias toward, ownership of such assets. Then a change toward liberalization of tax depreciation policy would relieve the former class of assets of an implicit penalty but augment the tax subsidy to the latter.

D. The full year convention

The discussion of Part II concluded that permitting taxpayers to use the full year rather than half year convention would yield minimal investment incentive effectiveness. Accordingly, the estimated long run revenue cost of such a tax depreciation liberalization is also small, amounting to a mere \$2.7 billion in 1990, or a little more than 2.2 percent of the reference business tax level at that time. However, inherent in the characteristics of this proposal is a large first year loss; \$4.1 billion, which is 8.5 percent of the 1971 reference level. Since the incentive effectiveness of this policy change is negligible, it would appear that the prime function which might be served by its adoption is to generate a large one-time revenue loss with little or no long run consequences, an action which might be desirable under certain conditions.

E. Summary

Generally, tax depreciation liberalization results in relatively large short term (one to five years) revenue losses. This is particularly true for the initial allowance proposals and the full year convention, since neither is restrained the first year by the half year convention. In the long run, the extent of revenue losses are variable among the options examined, roughly proportional to their incentive effectiveness. Excepting the full year convention, the policy options reviewed here tend to disproportionately benefit investment in structures, since this is the class of assets with the longest useful (and tax) lives. In all instances, the sectors of the economy which derive the greatest benefit are those included in non-farm, non-manufacturing (public utilities, transportation, communication, trade, services, real estate and finance), since enterprises so classified for the bulk of investment in tax depreciable assets, particularly structures.

F. Concluding comment on induced growth rate increases and their role in evaluation of tax depreciation policy changes

It will be recalled that the computer model employed to estimate the revenue losses discussed above explicitly assumes the economic growth rate is independent of the stimulus to investment which may be produced by the policy changes examined. The objection may therefore be raised that the revenue estimates presented in Table 7 and Appendix B overstate the revenue losses which may occur, particularly over the period three or more years beyond the date of adoption. A principal reason for considering tax depreciation liberalization is that the result is expected to stimulate investment; a higher investment rate will result in a larger private capital stock; and a larger capital stock will raise the national output to a level higher than it would otherwise have been. If national output in the future has been increased as a result of tax liberalization, surely, so the argument runs, the increased taxes generated by the higher national income ought to be considered in the

assessment of future tax revenues as an offset to the losses computed as in this report. Moreover, if the policy changes are being considered in a period of less than full employment, should not the increase in employment and output (which generates higher taxes) that would result from private business response to enactment of investment incentives be accounted for in the revenue estimates?

There is some merit in this criticism of traditional methods of tax revenue estimation with respect to evaluation of business tax policy options as is illustrated in this report.

The difficulty with all this is specifying how much an increase in depreciation deductions would increase the rate of investment. In the first place, a change in depreciation policy would increase the demand for investment goods subject to the changed rules. How much is a matter of dispute. This could mean a net increase of investment or merely a diversion of investment from short to long lived assets. The experience under the investment credit was that much of the response to business investment incentives was diversion of savings from structures (housing and otherwise) to machinery and equipment, since structures were not eligible for the credit. Given some net increase in investment, it is still a matter of some dispute how much this increases real output, and thus the tax base.

A further problem in all this is that there are other things that the government could do to increase investment, including spend more on education, spend more on research, reduce the corporate tax rate, etc. To talk authoritatively about the effect of a depreciation change, one would have to ask what were the growth effects of policies that might otherwise have been implemented with the foregone tax revenues.

A further problem is that some of the depreciation alternatives offered would considerably favor one kind of investment over another. To the extent that some investment is diverted from what would have been more efficient uses, absent the new tax considerations, these could be an offset to induced growth.

In view of the uncertainty surrounding these issues, it seems preferable to simply report how much government would be doing to increase the growth rate if we changed depreciation rules in particular ways. It remains open to supporters of any particular change to present their arguments as to just how much the change would affect the growth rate, and make appropriate adjustments.

FOOTNOTES

¹ Section 167(b) of the Internal Revenue Code authorizes these methods: (1) the straight line method, by which the depreciable basis is distributed over the life of an asset in equal periodic amounts; (2) the declining balance method by which the annual depreciation is determined by multiplying the remaining undepreciated balance by a constant rate, which may be no higher than twice the annual straight line rate except in the case of commercial and industrial structures for which the rate may not exceed 1.5 times the straight line rate for new property; (3) the sum-of-the-years digits method, by which the annual depreciation deduction is that portion of the depreciable basis equal to a fraction, the numerator of which is the remaining years of asset life (including the tax year in question) and the denominator of which is the sum of all the years' digits representing the useful life of the asset; and (4) any other consistent method which does not result in an accumulated total of depreciation deductions during the first two-thirds of an asset's life which is greater than

that which would have resulted from the double declining balance method. Further exceptions to the use of accelerated methods are provided in the case of used structures: in general used commercial and industrial buildings and used residential structures with a useful life of less than 20 years may be depreciated only by straight line methods while used residential structures with a useful life of 20 years or more may be depreciated by a declining balance method at a rate no higher than 1.25 times the straight line rate.

² For expositional simplicity the entries in the table for expensing neglect the slight discounting necessary to recognize that tax deductions cannot be taken until tax liabilities are accrued and payable. See note 1 to Table 1 for discounted values of full expensing.

³ There are combinations of circumstances not infrequently encountered in business investment situations under which the DDB method yields a higher present value of depreciation deductions than does the SOYD method. Since the characteristic time pattern of DDB deductions always includes a higher deduction in the first year (see Table 1), for particular combinations of high discount rates and short lives of assets, the DDB method is more beneficial to taxpayers than the SOYD method. More importantly, if salvage value is a significant proportion (15 percent or more, in the cases of assets with tax lives of 10 years or more) of the acquisition cost, or other basis, of the asset, the DDB method is generally more favorable, since the declining balance rate may continue to be applied until the undepreciated balance of the asset equals salvage value: the higher the salvage value, the more quickly will a DDB rate write-off the depreciable basis of the asset. In contrast, either the straight line or SOYD method will distribute the depreciable basis over the entire useful life of the asset.

⁴ An intuitive explanation of this somewhat surprising result takes the following form: a \$1,000 asset will generate some stream of revenues over its life; if the cost is expensed and the tax rate is 48 percent, the net cost of the asset to the owner (ignoring the slight discount of the deduction as above) is only \$520, after tax. However, in the future, each \$1 of revenue will be taxed fully, with no allowance for depreciation, leaving \$0.52 of net return on the \$520 investment, the same ratio as \$1 to \$1,000 as if there were no tax. Incidentally, in those cases, as in minerals taxation, where the total present value of expensing and depletion deductions may actually exceed the cost of the investment, the effective tax rate is negative. That is, in some instances the tax rate equivalent of an investment tax incentive is a tax rate less than zero.

⁵ Twenty-three and one-tenth percent is also the pre-tax rate of return which yields

the after-tax rate of 12 percent used above in discounting cash flows. Since the effective tax rate in the case of expensing is zero, the pre- and after-tax rates of return are equal.

⁶ For example, if the firm exemplified in Table 1 above were to possess a large number of 12 year assets each being more or less regularly replaced on schedule, the reserve ratio test would compare his accumulated depreciation deductions with the total value of all his assets. The ratio of the accumulated total deductions to total value of assets would be 50 percent, if he uses straight line depreciation, since that is the ratio of the total cumulated depreciation for each of his assets to their total acquisition cost, or basis. Similarly, the ratio would be 59 percent if he uses DDB, and 65 percent if he uses SOYD. Ratios are presented in Guidelines which also account for growth and allow for variances in retirement dates.

⁷ See Richard L. Pollock, *Tax Depreciation and the Need for the Reserve Ratio Test*, Tax Policy Research Study No. 2; Department of the Treasury, 1968.

⁸ A simple example may help to clarify the tax avoidance aspects of artificial lease agreements. Suppose that taxpayer A uses automobiles in his business and follows the custom of turning them in after three years. He pays \$2,000 for each auto and assumes the turn-in values of these autos are \$1,200, \$700, and \$500 at the end of the first, second, and third years, respectively. Under present law, his depreciable basis, with a three year holding period is \$1,300. If salvage value were ignored, his depreciable basis becomes \$2,000. However, if salvage value were ignored and he "leased" the car for the same three years and if the "lessors" "exchanged" the car at the end of each year, depreciation deductions for the same car would aggregate \$2,000 + \$1,200 + \$700 = \$3,900. Thus, disregarding salvage would confront taxpayer A with the alternative of a present value of \$2,000 of deductions if he holds title to the car or a present value of \$3,900 in deductions if he were to "lease" the car.

⁹ Similar calculations have been made with 8 and 15 percent discount rates but are not presented here. Copies of tables for these rates are available from the Office of Tax Analysis on request. In general, if 12 percent is the overall rate of return on equity, a higher rate would be appropriate for "riskier than average" investment situations, a lower rate for "less risky" situations. Higher discount rates generally increase the value of tax depreciation acceleration; conversely, lower discount rates generally decrease acceleration benefits.

¹⁰ Since DDB is the standard of reference, the calculations reflect a switch-over to straight line depreciation of the undepreciated balance when this is favorable.

¹¹ For a 10 year asset, the initial year's depreciation would be 20 percent of depreciable basis under the DDB method; an initial allowance of 40 percent is double this. For a

50 year asset, the initial year's depreciation is 4 percent of depreciable basis, also under DDB; thus a 40 percent initial allowance would be ten times this. Computations discussed below are based on the assumption that the initial allowance is taken first, then the first year's depreciation (of the reduced basis) is taken. If the allowance were merely added to "normal" first year depreciation (and subsequent deductions reduced accordingly) the contrast between short and long lived assets would be greater.

¹² The reader is cautioned that the calculations assume taxpayers with assets of indicated useful lives in Tables 3-5 are in conformance with the reserve ratio test so that a 40 percent reduction in lives, in fact, benefits them all.

¹³ It may be observed in any of the tables that the progression of benefits from a 40 percent shortening of lives is not uniform. This results from the necessity of rounding the shortened lives to the nearest whole year. For example, an asset with an expected life of 10 years would be allowed a tax life of six years, which is 40 percent shorter; but an asset with an expected life of 11 years would be allowed a tax life of seven years (6.6 rounded to 7) which is actually 36 percent shorter.

¹⁴ Section 167 (c) limits the use of DDB to assets with useful lives of three years or more simply because, if the restriction were not imposed, two year assets would be expensed in the year of acquisition, since the DDB rate would be unity.

¹⁵ This assumed growth rate may be compared with the Council of Economic Advisors' estimate of a real growth rate of 4.3 percent. In order to accommodate the built-in inflation bias of index numbers, which do not account for product improvement, and since depreciation deductions are based on current prices paid for depreciable assets, it appeared that a 5 percent growth rate is a conservative basis on which to project gross investment in current, rather than real, dollars, but without incorporating extraordinary inflation.

¹⁶ Characteristic assets which would follow such a pattern are those for which installation (and removal) costs are large relatively to total acquisition cost and those, such as automobiles, which appear to give off successively "inferior" services as they age. For an econometric study of automobile depreciation patterns, see Frank C. Wykoff, "Capital Depreciation in the Postwar Period: Automobiles," *Review of Economics and Statistics*, May, 1970, pp. 168-172.

¹⁷ An analysis of office building operating expense and rental income data by Professors Taubman and Rasche suggest that such a pattern is typical for investment in this class of structures. See Paul J. Taubman and Robert H. Rasche "Economic and Tax Depreciation of Office Buildings," *National Tax Journal*, pp. 334-346, September 1969.

APPENDIX A

INVESTMENT ESTIMATES AND PRESENT LAW TAX DEPRECIATION INPUTS TO DEPARTMENT OF THE TREASURY DEPRECIATION POLICY REVENUE ESTIMATING MODEL

Type of investment	Present law tax depreciation assumptions		Type of investment	Present law tax depreciation assumptions	
	Estimated gross investment 1971 (millions) ¹	Useful life ²		Estimated gross investment 1971 (millions) ¹	Useful life ²
All industries, total.....	\$125,864		5. Construction machinery.....	\$1,974	6
Equipment.....	75,656		6. Mining machinery.....	829	8
Structures.....	50,208		7. Metalworking machinery.....	712	13
Nonfarm, nonmanufacturing, total.....	92,863		8. Special industry machinery.....	1,037	13
Equipment, total.....	50,269	44	9. General industry machinery.....	1,478	11
1. Furniture.....	2,694	12	10. Office and store machinery.....	5,967	6
2. Fabricated metal products.....	1,457	14	11. Service-industry machinery.....	2,910	8
3. Engines and turbines.....	1,120	17	12. Electrical machinery.....	6,822	11
4. Tractors.....	578	6	13. Trucks and buses.....	6,806	7
			14. Passenger cars.....	5,536	3
			15. Aircraft.....	4,009	7
			16. Ships and boats.....	556	18
			17. Railroad equipment.....	912	19

Footnotes at end of table.

Type of investment	Present law tax depreciation assumptions		
	Estimated gross investment 1971 (millions) ¹	Useful life ²	Percent using straight line depreciation ³
18. Instruments.....	\$3,091	9	-----
19. Miscellaneous.....	1,511	8	-----
Structures, total.....	42,594		36
20. Industrial.....	462	28	-----
21. Commercial and miscellaneous.....	122	23	-----
22. do.....	4,338	28	-----
23. do.....	6,748	35	-----
24. Institutional, excluding social and recreational.....	4,548	42	-----
25. Social and recreational: Institutional.....	296	42	-----
26. Social and recreational: Noninstitutional.....	690	23	-----
27. Pipelines.....	201	20	-----
28. Railroad.....	566	45	-----
29. Telephone and telegraph.....	2,164	17	-----
30. Other public utilities.....	6,613	26	-----
31. Petroleum and natural gas.....	2,120	14	-----
32. Residential.....	13,000	40	(*)
33. All other private.....	726	28	-----
Manufacturing, total.....	25,861		-----
Equipment, total.....	19,191		21
34. Furniture.....	458	11	-----
35. Fabricated metal products.....	648	13	-----
36. Engines and turbines.....	222	16	-----
37. Tractors.....	82	6	-----
38. Construction machinery.....	449	6	-----
39. Metalworking machinery.....	3,472	12	-----
40. Special industry machinery.....	4,010	12	-----

Type of investment	Present law tax depreciation assumptions		
	Estimated gross investment 1971 (millions) ¹	Useful life ²	Percent using straight line depreciation ³
41. General industrial machinery.....	\$2,451	10	-----
42. Office and store machinery.....	2,189	6	-----
43. Service-industry machinery.....	284	7	-----
44. Electrical machinery.....	1,389	11	-----
45. Trucks and buses.....	1,325	6	-----
46. Passenger cars.....	352	3	-----
47. Aircraft.....	482	6	-----
48. Ships and boats.....	39	18	-----
49. Railroad equipment.....	66	18	-----
50. Instruments.....	1,050	8	-----
51. Miscellaneous.....	223	8	-----
Structures, total.....	6,670		21
52. Industrial.....	6,670	35	-----
Farm, total.....	7,140		-----
Equipment, total.....	6,196		44
53. Fabricated metal products.....	66	14	-----
54. Engines and turbines.....	25	17	-----
55. Tractors.....	1,368	10	-----
56. General industrial machinery.....	100	11	-----
57. Service-industry machinery.....	56	8	-----
58. Trucks.....	1,113	9	-----
59. Passenger cars.....	871	8	-----
60. Miscellaneous.....	84	8	-----
61. Agricultural machinery.....	2,513	13	-----
Structures, total.....	944		36
62. Nonresidential.....	944	34	-----

¹ Office of Tax Analysis estimates for 1971 based on expenditure data furnished by Robert Wasson of the Office of Business Economics, U.S. Department of Commerce.
² Based on lives estimated by Allan H. Young, "Alternative Estimates of Corporation Depreciation," Survey of Current Business, April 1968.
³ It is assumed that 36 percent of the nonfarm, nonmanufacturing structures are depreciated

under the straight-line method except that only 20 percent of the residential structures are depreciated under the straight-line method.

Source: Office of the Secretary of the Treasury, Office of Tax Analysis.

APPENDIX B.—ESTIMATED REVENUE LOSSES, BY INDUSTRIAL CATEGORY AND CLASS OF DEPRECIABLE ASSET, 1971-95

I. 40 PERCENT INITIAL ALLOWANCE

[Millions of dollars]

Year	Total	Nonmanufacturing			Manufacturing			Farming		
		Total	Equipment	Structures	Total	Equipment	Structure	Total	Equipment	Structures
1971.....	21,001	15,522	8,038	7,484	4,280	3,103	1,177	1,198	1,032	167
1972.....	19,108	14,185	6,684	7,501	3,827	2,639	1,189	1,097	928	168
1973.....	17,704	13,202	5,668	7,534	3,491	2,288	1,203	1,011	841	171
1974.....	16,650	12,475	4,891	7,584	3,236	2,016	1,219	939	766	173
1975.....	15,863	11,954	4,303	7,651	3,032	1,794	1,238	877	701	176
1976.....	15,130	11,458	3,724	7,734	2,850	1,591	1,259	822	643	179
1977.....	14,562	11,067	3,235	7,832	2,728	1,445	1,283	768	586	182
1978.....	14,251	10,880	2,936	7,944	2,656	1,347	1,310	715	528	186
1979.....	14,114	10,851	2,781	8,070	2,596	1,257	1,339	667	477	190
1980.....	14,081	10,901	2,691	8,210	2,543	1,173	1,370	636	442	195
1981.....	14,113	10,985	2,623	8,363	2,506	1,101	1,405	622	423	199
1982.....	14,246	11,133	2,606	8,527	2,495	1,053	1,442	619	414	205
1983.....	14,516	11,364	2,660	8,704	2,537	1,055	1,482	615	405	210
1984.....	14,890	11,638	2,744	8,894	2,626	1,101	1,525	626	410	216
1985.....	15,336	11,960	2,852	9,108	2,723	1,154	1,570	652	430	222
1986.....	15,827	12,321	2,973	9,348	2,825	1,209	1,617	680	452	228
1987.....	16,345	12,703	3,100	9,603	2,933	1,267	1,666	709	474	235
1988.....	16,909	13,121	3,238	9,883	3,047	1,330	1,717	740	498	242
1989.....	17,521	13,581	3,391	10,190	3,168	1,396	1,772	772	523	250
1990.....	18,171	14,070	3,557	10,514	3,295	1,466	1,829	806	549	257
1991.....	18,861	14,591	3,735	10,856	3,428	1,539	1,889	842	576	266
1992.....	19,586	15,139	3,921	11,218	3,568	1,616	1,951	879	605	274
1993.....	20,348	15,715	4,118	11,598	3,714	1,697	2,017	918	635	283
1994.....	21,151	16,323	4,323	11,999	3,859	1,782	2,087	960	667	293
1995.....	21,997	16,964	4,540	12,424	4,030	1,871	2,159	1,003	700	303

II. 20 PERCENT INITIAL ALLOWANCE

1971.....	10,500	7,761	4,019	3,742	2,140	1,552	558	599	516	83
1972.....	9,554	7,092	3,342	3,750	1,914	1,319	594	548	464	84
1973.....	8,852	6,601	2,834	3,767	1,745	1,144	601	506	420	85
1974.....	8,325	6,238	2,445	3,792	1,618	1,008	610	470	383	87
1975.....	7,932	5,977	2,152	3,825	1,516	897	619	438	351	88
1976.....	7,565	5,729	1,862	3,867	1,425	795	630	411	321	89
1977.....	7,281	5,533	1,617	3,916	1,364	722	642	384	293	91
1978.....	7,125	5,440	1,468	3,972	1,328	673	655	357	264	93
1979.....	7,057	5,425	1,390	4,035	1,298	629	669	334	239	95
1980.....	7,040	5,450	1,346	4,105	1,272	587	685	318	221	97
1981.....	7,057	5,493	1,311	4,181	1,253	551	702	311	211	100
1982.....	7,123	5,566	1,303	4,264	1,247	526	721	309	207	102
1983.....	7,258	5,682	1,330	4,352	1,269	527	741	308	203	105
1984.....	7,445	5,819	1,372	4,447	1,313	551	762	313	205	108
1985.....	7,668	5,980	1,426	4,554	1,362	577	785	326	215	111
1986.....	7,913	6,161	1,487	4,674	1,413	604	808	340	226	114
1987.....	8,173	6,352	1,550	4,801	1,467	634	833	355	237	118
1988.....	8,454	6,561	1,619	4,941	1,524	665	859	370	249	121
1989.....	8,760	6,790	1,695	5,095	1,584	698	886	386	261	125
1990.....	9,086	7,035	1,778	5,257	1,547	733	914	403	274	129
1991.....	9,430	7,296	1,867	5,428	1,714	770	944	421	288	133

APPENDIX B.—ESTIMATED REVENUE LOSSES, BY INDUSTRIAL CATEGORY AND CLASS OF DEPRECIABLE ASSET, 1971-95—Continued

II. 20 PERCENT INITIAL ALLOWANCE

(Millions of dollars)

Year	Total	Nonmanufacturing			Manufacturing			Farming		
		Total	Equipment	Structures	Total	Equipment	Structure	Total	Equipment	Structures
1992	9,793	7,570	1,961	5,609	1,784	808	976	440	302	137
1993	10,174	7,858	2,059	5,799	1,857	849	1,009	459	318	142
1994	10,576	8,161	2,162	6,000	1,934	891	1,043	480	333	146
1995	10,999	8,482	2,270	6,212	2,015	935	1,080	502	350	151

III. 40 PERCENT SHORTER LIVES

1971	2,284	1,592	1,286	306	546	507	40	145	139	6
1972	6,022	4,238	3,343	895	1,396	1,278	118	388	371	17
1973	8,258	5,829	4,384	1,444	1,871	1,679	192	558	530	28
1974	10,028	7,128	5,167	1,961	2,213	1,949	263	688	649	39
1975	11,224	7,996	5,533	2,463	2,400	2,068	332	828	779	49
1976	11,261	7,884	4,920	2,964	2,460	2,061	399	917	858	59
1977	11,238	7,746	4,281	3,466	2,584	2,120	464	908	839	69
1978	11,288	7,851	3,867	3,984	2,575	2,048	527	862	783	79
1979	11,092	7,941	3,473	4,468	2,374	1,782	593	776	686	90
1980	10,940	8,087	3,165	4,922	2,180	1,514	665	674	572	102
1981	10,865	8,237	2,884	5,353	2,015	1,270	744	614	500	114
1982	10,923	8,439	2,682	5,757	1,907	1,077	830	577	450	128
1983	11,268	8,801	2,626	6,175	1,927	1,003	923	540	398	142
1984	11,846	9,248	2,636	6,612	2,060	1,039	1,021	538	380	157
1985	12,573	9,793	2,695	7,099	2,208	1,084	1,124	571	398	173
1986	13,382	10,411	2,775	7,635	2,364	1,131	1,232	607	417	190
1987	14,153	10,978	2,860	8,118	2,529	1,184	1,346	645	438	207
1988	14,855	11,464	2,962	8,502	2,706	1,241	1,465	685	459	226
1989	15,575	11,956	3,086	8,870	2,892	1,302	1,590	728	482	245
1990	16,352	12,492	3,231	9,260	3,088	1,367	1,721	772	506	266
1991	17,173	13,070	3,393	9,677	3,294	1,435	1,859	809	532	277
1992	17,897	13,614	3,562	10,051	3,446	1,507	1,939	838	558	279
1993	18,525	14,118	3,741	10,377	3,539	1,582	1,957	868	586	282
1994	19,191	14,654	3,928	10,727	3,637	1,661	1,976	900	616	284
1995	19,805	15,132	4,124	11,008	3,740	1,744	1,995	933	646	286

IV. 20 PERCENT SHORTER LIVES

1971	884	620	506	114	200	186	15	63	61	2
1972	2,409	1,713	1,376	337	525	480	44	172	165	6
1973	3,278	2,305	1,756	548	720	648	73	253	242	11
1974	3,837	2,674	1,923	751	846	745	101	317	302	15
1975	4,658	3,285	2,339	946	998	870	128	375	356	19
1976	5,100	3,641	2,499	1,141	1,016	862	154	443	421	23
1977	5,017	3,525	2,187	1,339	1,001	820	181	491	464	27
1978	4,954	3,383	1,846	1,537	1,082	875	207	489	458	31
1979	5,144	3,545	1,804	1,741	1,149	917	232	450	416	35
1980	5,317	3,733	1,776	1,957	1,162	904	258	422	384	39
1981	5,181	3,741	1,558	2,183	1,048	764	284	392	350	43
1982	4,943	3,736	1,356	2,379	866	551	315	341	294	48
1983	4,944	3,845	1,300	2,545	810	460	350	288	235	53
1984	5,158	4,030	1,311	2,719	860	474	387	269	210	59
1985	5,448	4,247	1,348	2,899	917	492	426	284	219	65
1986	5,736	4,460	1,373	3,087	976	510	466	301	230	77
1987	6,026	4,668	1,387	3,280	1,040	531	509	318	241	89
1988	6,370	4,924	1,415	3,509	1,110	555	554	337	252	84
1989	6,773	5,233	1,462	3,771	1,184	582	601	356	265	92
1990	7,208	5,588	1,526	4,042	1,262	611	651	377	278	99
1991	7,679	5,935	1,603	4,333	1,345	642	703	399	292	107
1992	8,113	6,259	1,683	4,577	1,432	674	758	422	307	115
1993	8,450	6,481	1,767	4,714	1,523	708	815	446	322	124
1994	8,758	6,668	1,855	4,813	1,619	743	876	472	338	133
1995	9,089	6,872	1,948	4,924	1,719	780	939	498	355	143

V. 300 PERCENT DECLINING BALANCE

1971	1,657	1,144	848	295	433	382	51	81	75	6
1972	4,064	2,782	1,933	849	1,073	924	148	209	191	17
1973	5,197	3,533	2,198	1,335	1,382	1,143	239	282	253	28
1974	5,755	3,905	2,141	1,765	1,529	1,207	322	320	283	38
1975	6,040	4,126	1,978	2,147	1,576	1,176	400	339	292	47
1976	6,100	4,206	1,715	2,492	1,550	1,078	472	343	288	55
1977	6,112	4,245	1,445	2,800	1,536	996	540	331	268	63
1978	6,183	4,345	1,268	3,077	1,530	925	604	308	238	70
1979	6,262	4,485	1,160	3,325	1,495	830	665	283	205	77
1980	6,346	4,634	1,084	3,550	1,450	727	723	262	178	84
1981	6,433	4,768	1,016	3,752	1,414	635	779	252	161	90
1982	6,555	4,911	977	3,934	1,398	565	833	247	150	97
1983	6,749	5,078	979	4,098	1,429	543	886	242	139	103
1984	6,992	5,246	999	4,248	1,500	564	936	245	137	108
1985	7,256	5,427	1,031	4,396	1,572	590	982	256	143	113
1986	7,525	5,614	1,069	4,545	1,643	617	1,026	268	150	118
1987	7,786	5,793	1,110	4,683	1,713	646	1,067	280	158	122
1988	8,054	5,978	1,155	4,823	1,784	678	1,106	292	166	127
1989	8,332	6,174	1,207	4,967	1,854	711	1,143	304	174	130
1990	8,614	6,373	1,266	5,108	1,924	747	1,178	317	183	134
1991	8,903	6,579	1,329	5,250	1,995	784	1,211	329	192	138
1992	9,196	6,787	1,395	5,392	2,066	823	1,243	342	201	141
1993	9,491	6,997	1,465	5,532	2,138	865	1,274	355	211	144
1994	9,792	7,211	1,538	5,673	2,211	908	1,304	369	222	147
1995	10,101	7,432	1,615	5,816	2,286	953	1,333	383	233	150

VI. FULL-YEAR CONVENTION

971	4,136	2,982	2,525	457	937	877	60	217	209	8
972	3,427	2,452	1,992	459	777	717	61	198	190	8
973	3,113	2,250	1,787	463	680	618	62	184	175	9
974	2,648	1,874	1,406	468	600	538	63	174	165	9
975	2,635	1,884	1,409	475	584	520	64	167	158	9

Year	Total	Nonmanufacturing			Manufacturing			Farming		
		Total	Equipment	Structures	Total	Equipment	Structures	Total	Equipment	Structures
1976	2,676	1,929	1,445	484	579	514	65	168	159	9
1977	2,394	1,747	1,251	496	474	407	67	173	163	9
1978	2,212	1,543	1,033	510	489	420	68	188	171	10
1979	2,140	1,489	963	526	485	415	70	166	156	10
1980	2,150	1,491	947	544	507	435	72	152	141	10
1981	2,183	1,558	993	565	491	416	74	134	123	11
1982	2,117	1,492	904	588	486	409	77	139	128	11
1983	2,072	1,521	908	613	406	326	80	145	134	12
1984	2,099	1,564	925	639	418	334	84	117	105	12
1985	2,148	1,587	952	636	439	351	88	122	109	13
1986	2,252	1,664	999	665	461	368	93	128	115	13
1987	2,360	1,744	1,049	695	481	384	97	134	120	14
1988	2,436	1,790	1,089	701	506	403	102	141	126	15
1989	2,548	1,871	1,138	733	530	423	107	148	132	16
1990	2,664	1,953	1,186	767	556	444	112	155	139	17
1991	2,793	2,046	1,245	801	584	466	118	163	146	18
1992	2,933	2,148	1,307	841	613	489	124	171	153	19
1993	3,079	2,256	1,373	883	644	514	130	180	161	19
1994	3,226	2,361	1,441	920	676	539	137	189	169	21
1995	3,387	2,479	1,513	966	710	566	143	198	177	20

Source: Office of the Secretary of the Treasury, Office of Tax Analysis.

CALIFORNIA EAST SIDE PROJECT QUESTIONS ASKED

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. WALDIE. Mr. Speaker, the environmental impact of Federal public works projects is of tremendous importance and it is a most hopeful sign that local and State bodies are now giving public works more scrutiny than in the past.

An outstanding example of this scrutiny has been demonstrated by the State of California Resources Agency and its Secretary, Norman B. Livermore, regarding the proposed East Side project in the Central Valley of California.

In addition, Mr. Speaker, I would hope that similar concern and questions have been or will be asked by Mr. Livermore concerning the devastating impact the proposed peripheral canal diversions will have on the sensitivity balanced ecosystem comprising the delta, the estuary, and San Francisco Bay.

Mr. Speaker, I would like to place Mr. Livermore's questions of the Bureau of Reclamation with regard to the East Side project in the RECORD, along with my own letters on this matter directed to the Bureau of Reclamation and the California State Department of Water Resources.

These letters follow:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., July 23, 1970.

MR. WILLIAM R. GIANELLI,
Director, California State Department of
Water Resources, Sacramento, Calif.

DEAR BILL: I am sure you are familiar with Secretary Livermore's, "Partial List of Concerns About the East Side Project," submitted to Bob Pafford on July 8, 1970.

I feel that Secretary Livermore has a justifiable cause for concern and I would hope that this concern is shared by the Department of Water Resources.

Additionally, I would appreciate knowing whether similar questions have been submitted regarding the Peripheral Canal, especially regarding the environmental aspects of the project.

Thank you for your immediate consideration of this matter.

Sincerely yours,

JEROME R. WALDIE,

U.S. Congressman, 14th District.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., July 23, 1970.

MR. ELLIS ARMSTRONG,
Commissioner, Bureau of Reclamation, Department of the Interior, Washington, D.C.

DEAR COMMISSIONER ARMSTRONG: I have enclosed a copy of several questions regarding the proposed East Side Project of the Central Valley Project sent to Robert Pafford of the Bureau's Sacramento office by Norman B. Livermore of the California Resources Agency.

Mr. Livermore's questions regarding available water supplies, future augmentation and environmental concerns are very well taken and I hope that the Bureau's response will be extensive and prompt.

I would appreciate a copy of the Bureau's response. Additionally, I would be most interested in knowing if similar questions were posed by State Officials with regard to the Peripheral Canal Project.

Sincerely yours,

JEROME R. WALDIE,
U.S. Congressman, 14th District.

PARTIAL LIST OF CONCERNS ABOUT THE EAST SIDE PROJECT

(By Norman Livermore)

I. FISH AND WILDLIFE CONCERNS

1. Should authorizing language include additional assurances for fish and wildlife mitigation?

2. Should authorization of the East Side Project be withheld until a more firm commitment for fish and wildlife enhancement has been developed?

3. (a) What are the detriments and benefits that could be associated with the East Side Project regarding fish and wildlife mitigation and enhancement in the tributaries of the San Joaquin River?

(b) Could the Project provide waterfowl enhancement in the San Joaquin Valley?

(c) What provisions could be made for waterfowl and upland game enhancement on the Canal right-of-way; and for retaining surplus lands acquired with the right-of-way for fish and wildlife purposes?

4. (a) What plan does the Bureau have for releasing water down various streams to satisfy fish and game needs?

(b) How will these water costs be paid?

(c) How will these releases relate to releases from the Peripheral Canal?

5. Some of the material included in the Fish and Wildlife Service report needs to be modified on the basis of information developed since 1965. Do you plan to have the Service revise the report?

II. GENERAL ENVIRONMENTAL CONCERNS

1. Is there enough water available to supply the anticipated demands for water for

the East Side Division from supplies that can be developed from existing works and projects authorized for construction and still protect the ecology of the Delta, the Suisun Marsh and other similar areas?

2. What are the alternative sources of water other than imports of North Coast supplies that would be required to make up any water deficiencies in export requirements in order to guarantee ecological protection for the Delta and other areas as outlined in the previous question?

3. What effects would the East Side Project have upon environmental protection requirements of the Lower American River?

4. Has the East Side Project been evaluated to determine compliance with the "National Environmental Policy Act of 1969"? If not, should it not be?

5. Will new studies be needed to conform to the Environmental Policy Act before authorization of the Project?

6. Should not actual, successful operation of the Peripheral Canal be worked out, the net Delta outflow necessary to protect the Delta and San Francisco Bay ecology be determined, and related Delta problems be solved before there is additional, major diversion of water from the Delta as would take place with the East Side Project?

III. ECONOMICS QUESTIONS

1. Will a demand exist for the additional crops that would be grown from water delivered from the East Side Project?

2. What effects would the reduced population projections recently released by the Department of Finance have on the benefit-cost ratio of the East Side Project?

3. What pricing policies would govern the sale of water in the East Side Service Area? Please give examples for irrigation, and municipal and industrial.

4. Has a soil analysis been made as to productivity of proposed new acreages to be irrigated to prove their economic feasibility?

5. Has the Project been evaluated in view of inflation to determine if it is still economically feasible?

6. Should the premises upon which the East Side Report were based be reassessed to determine if those premises are still valid? (i.e., population trends, agricultural needs, alternate water supplies, etc.)

7. (a) Has the Bureau made any firm contracts for East Side Canal water?

(b) What plans does the Bureau have for getting firm contracts prior to authorization and/or construction?

IV. AGRICULTURAL QUESTIONS

1. What effects would the East Side Project have on agriculture in the Delta?

V. LAND USE QUESTIONS

(Illustrative maps would be most helpful in connection with answers to these questions.)

1. This Project will further add to the conversion of private land to public ownership in California. Which U.S. Bureau of Reclamation lands can be disposed of to offset tax revenues heretofore derived from those lands needed for the Project?

2. (a) How much land that is now under cultivation will receive a supplemental water supply from the East Side Project?

(b) Where is this land located?

3. (a) How much new land is to receive a new water supply from the East Side Project and where is this land located?

(b) How much of this new development will be non-agricultural in nature?

VI. DRAINAGE QUESTIONS

1. Why should not the San Joaquin Master Drain question be resolved before the East Side Project is authorized?

2. Would increased irrigation east and north of the San Joaquin River in Merced and Madera Counties cause drainage problems?

VII. MISCELLANEOUS

1. (a) Would authorization of Phase I of the East Side Project obligate the State to support the ultimate stage of the East Side Division?

(b) What is the cost relationship between Phase I and ultimate East Side Project?

(c) What water volume requirements are anticipated for each?

(d) What is the source of water for the ultimate phase?

2. Will the Peripheral Canal be in operation before the East Side Canal? Shouldn't it be?

FURTHER INVESTIGATION NEEDED

HON. JAMES HARVEY

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. HARVEY. Mr. Speaker, I recently received a letter from a constituent deploring the conditions which led to the stranding of some 3,500 college students in Europe as the result of the financial failure of a company operating a travel-study program. The frustration and disappointment of these students is understandable and regrettable. Certainly there should be a regulation such as a requirement for performance bonds, to prevent such unfortunate incidents from occurring. I urge the Civil Aeronautics Board to thoroughly investigate this situation and to adopt such a regulation at the earliest possible time. This appears to be one area where the CAB has not cracked down adequately. The Board is, however, to be commended for its increased effort in enforcing charter regulations for scheduled airlines, supplemental carriers, chartering organizations, travel agencies, and individuals alike.

In the same vein, I would like to commend the Civil Aeronautics Board for its recent proposal to tighten up charter regulations. I am astounded that the Board's proposals, intended to prevent an erosion of the charter concept, have come under attack. The Board's proposed regulations are intended to insure that the distinction between individually ticketed service and charter service is properly maintained.

By preventing practices which enable individually ticketed services to be offered

under the guise of charters, the Board is carrying out its mandate from Congress to maintain the integrity of charter service.

The law requires the CAB to maintain a system of air transportation which embodies both regularly scheduled service over specified routes and charter service which may be provided within specific geographic areas whenever the demand arises. The Congress has authorized scheduled airlines to engage in both individually ticketed services and charter service. Supplemental airlines have been authorized to conduct charter service only.

It is my understanding that because various methods are now being used by agents and promoters, such as setting up fictitious groups, to offer individually ticketed services under the guise of group travel, the Civil Aeronautics Board has decided to strengthen its charter rules. One step which the Board has proposed to take to prevent these practices is the establishment of new requirements for organizations seeking charter eligibility. By limiting eligibility for charter service to organizations, many of these abuses can be eliminated. Critics have said that the Board's proposed regulations would seriously limit the participation of the public in group charter travel by excluding organization of more than 20,000 members. This is simply not the case. Beyond that, however, it is estimated that on the average each American is eligible for group travel in at least three different ways due to his association with church groups, civic groups, or social clubs.

Any group, no matter how many members it has, may be eligible to establish a charter trip. The CAB proposal merely states that a group with a membership of more than 20,000 is presumed to be open to the general public. If an organization is a bona fide one, however, it need only establish that fact to the CAB, even though its membership far exceeds 20,000.

LIFE MAGAZINE DISTORTS THE HIGHWAY BEAUTIFICATION ACT

HON. WILLIAM H. HARSHA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. HARSHA. Mr. Speaker, a leading article in the July 24 issue of Life magazine depicting billboard blight levels a grave and unjust charge against Congress for appropriating only \$150 million under the Highway Beautification Act and for the low level of authorizations. It is a glaring example of irresponsible journalism. Congress is accused of failing to fund a program for the removal of signs depicted in the article that are not within the purview of the act.

Stated another way, Congress is faulted for failing to fund a program that is not in legal force and effect. The montage of signs in the lead two-page picture, which is apparently grossly distorted by the compressing effect of a telephoto lens, are in a commercial or busi-

ness area. With only two exceptions, all of the signs shown in this picture are so-called "on-premise" signs—"signs, displays, and devices advertising activities conducted on the property on which they are located." These are expressly excluded from control under subsection (b) of section 131 of the Highway Beautification Act and there is no authority to appropriate funds for their removal. The two exceptions—presumably "off-premise" signs in a commercial area are subject to control, but such signs are permitted under subsection (d) of the act. Most, if not all, of the signs shown in the other pictures contained in the article are also "on-premise" signs or in a commercial area and, therefore, not prohibited by the act.

The motivation for this reportorial inaccuracy is open to question, but at the very least it is submitted that a publication of this stature that seeks to influence public opinion should do so on an informed basis. A most casual inquiry would have advised the writers of the scope of the existing law.

TUNNEY SALUTES BASEBALL TRIBUTE, THROUGH EAST-WEST ALL STAR MAJOR LEAGUE CLASSIC, TO MEMORY, GOALS AND PROJECTS OF DR. MARTIN LUTHER KING, JR.

HON. JOHN V. TUNNEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. TUNNEY. Mr. Speaker, organized baseball participated in a unique salute to one of the outstanding citizens in the history of our Nation.

Players, club owners, officials of the two leagues, and the commissioner of baseball participated in making the East-West All Star Major League Baseball Classic—honoring the late Dr. Martin Luther King, Jr., a success. And more than 30,000 fans crowded into Dodger Stadium in Los Angeles on Saturday, March 28, 1970 to see the eastern division team defeat the western division team 5 to 1.

As sportsmanship is defined, the importance of the game is not in winning or losing. It is in playing well. Through individual effort and teamwork, attaining the goal. The goal this day was a salute to the late Dr. King, his ideals, and his nonviolent efforts to make our Nation—and the world—a better place in which to live.

The game had great symbolic significance. It was a most beautiful and meaningful way to begin the first baseball season of a new decade. In the men on the diamond at Dodger Stadium, we had the cream of the crop. The men of several racial backgrounds and cultural heritage who represent the best that baseball, our national sport, has to offer. They represented fulfillment of an American dream, where men in sports are judged on their skills and abilities.

It was not always so in baseball. But

change did come. And baseball is better for it.

As it is in baseball, it can be throughout our society.

Perhaps this was the collective wish of the men—the owners, officials, staffs and players—at the game. I choose to believe that this is what they wanted us of the general public to see as they played in a classic all star game dedicated to a man who did no more than try to make a dream—a most noble dream—come true.

An article by Brad Pye, Jr., sports editor of the Los Angeles Sentinel, captures the spirit of the day:

Today's East-West Major League Classic would have been one of Dr. Martin Luther King, Jr.'s proudest moments.

It would have rated with that day in August of 1963 when multitudes engulfed Washington, D.C., for that great march at which he delivered his now famous "I Have a Dream" speech.

Dr. Martin Luther King, Jr. had many dreams, but the most fervent dream of all was to see a freer America: an America like the one that will be exemplified by some of the best black and white baseball players in the world on the Dodger Stadium field this afternoon.

Dr. King lived, preached and believed in the brotherhood of man. He believed that all men are brothers—black ones, brown ones, white ones, red and yellow ones.

It seems fitting for baseball, from Commissioner Bowie Kuhn on down the line, to have given its blessing to today's game which will be played in memory of Dr. Martin Luther King, Jr. and for the benefit of the foundation which carries his name.

The move to get the U.S. Congress to declare Dr. King's birthday, January 15th, the first national holiday in history—in memory of a black man—hasn't met with success. Baseball, however, can take a bow for making today's Martin Luther King Classic a reality after one false start to get this game off the ground a year ago.

All of baseball—forty or so of the finest in the game—owners, umpires, managers et al.—have banded together to make today's Classic possible.

Dr. King would have loved this day. He was a spiritually filled man. And black, white and all the other colors of the rainbow working together would have caused Dr. King's cup to runneth over.

Dr. Martin Luther King, Jr. was the world's greatest apostle of non-violence and togetherness. He believed that non-violence is the most potent weapon of an oppressed people.

Dr. King believed all violence should be confined to the football field or some other athletic endeavor. He enjoyed the violent world of pro football as much as the next man—but he was a prince of peace otherwise.

It would seem proper for that homerun-hitting man from Atlanta—Hank Aaron—to put one in orbit today.

Dr. Martin Luther King, Jr. was a Nobel Peace Prize winner and in death, most of America is finally coming to the realization that he was for America. By today's demonstration, baseball moves up to the head of the class in this respect.

It is hoped that through this Classic, more people will realize that Dr. Martin Luther King, Jr. was an extremist—an extremist for love, an extremist for justice for all mankind.

Thanks to this timely gesture, baseball joins with black America throughout the world and all other men and women of goodwill to indicate that Dr. King will not be forgotten. His work and his memory will never die.

Dr. Martin Luther King, Jr. had a dream that the bank of justice was not bankrupt. Today's Classic is a demonstration that the "some day soon" he spoke of, when the sons of former slave owners and slaves would work together and walk this earth in peace and brotherhood, has come.

That today's Classic features baseball players of all colors is a living testimony to Dr. King's dream.

It seems apropos that the world of baseball which started integration to working back in 1946 when the late Brooklyn Dodger President, Branch Rickey, signed Hall of Famer Jackie Robinson as the first black player in modern times, should be the catalyst for this tribute to that man from Atlanta Dr. Martin Luther King, Jr.

Bowie K. Kuhn, Commissioner of Baseball, spoke for the organized sport.

Baseball has pioneered integration in professional sports.

It will be 25 years next October that Baseball, through the Brooklyn Dodgers, became the first professional sport in modern times to sign a Negro athlete, thus paving the way for the participation of a host of brilliant black athletes in the National Game.

It seems only right that Baseball should pause today to pay tribute to one of the great disciples of integration and brotherhood, a recipient of the Nobel Peace Prize, Dr. Martin Luther King, Jr.

It seems appropriate too, that the home of the Los Angeles Dodgers which started integration with Hall of Famer, Jackie Robinson, should be the site of today's East-West Major League Baseball Classic in memory of Dr. King.

As Commissioner of Baseball, and as an American, I am proud to give my blessings to this classic which demonstrates that Baseball is democracy at work.

I take this opportunity to commend the Southern Christian Leadership Conference for organizing this Classic and to thank the players for their participation, entirely voluntary, to this cause. I would also like to express my gratitude to the Major League clubs for their cooperation and their financial assistance to assure the game's success.

Joseph E. Cronin, president of the American League of Professional Baseball Clubs, stated:

It is a pleasure for the American League to provide the services of Emmett Ashford and Don Denkinger to help in upringing the Memorial Martin Luther King Game. I would like to take this opportunity to congratulate players on both squads for their participation in such an ambitious venture.

Charles S. Feeney, president of the National League of Professional Baseball Clubs, said:

On behalf of the clubs and players of The National League of Professional Baseball Clubs, I should like to extend best wishes to you for a very successful Major League East-West All Star Classic Game.

All of us take great pleasure in giving our heartiest endorsement to this game and the very worthy cause for which it is being played.

Peter O'Malley, president of the Los Angeles Dodgers, in whose stadium the classic was played, wrote:

The Los Angeles Dodgers are proud to host the East-West Major League Baseball Classic at Dodger Stadium.

Proceeds from this unique game will benefit Southern Christian Leadership Conference Foundation and the Dr. Martin Luther King, Jr., Memorial Center in Atlanta, Georgia.

It is a game which brings together the outstanding players in Major League baseball

for a cause which baseball is proud to support.

The eastern division team roster included Tommy Agee, New York Mets, outfield; Mike Andrews, Boston Red Sox, second base; Ernie Banks, Chicago Cubs, shortstop; Roberto Clemente, Pittsburgh Pirates, outfield; Mike Cuellar, Baltimore Orioles, pitcher; Ron Fairly, Montreal Expos, outfield; Bill Freehan, Detroit Tigers, catcher; Bob Gibson, St. Louis Cardinals, pitcher; Ken Harrelson, Cleveland Indians, outfield; Grant Jackson, Philadelphia Phillies, pitcher; Julian Javier, St. Louis Cardinals, second base; Al Kaline, Detroit Tigers, outfield; Darold Knowles, Washington Senators, pitcher; Tim McCarver, Philadelphia Phillies, catcher; Ken McMullen, Washington Senators, third base; Bobby Murcer, New York Yankees, shortstop; Reggie Smith, Boston Red Sox, outfield; Vada Pinson, Cleveland Indians, outfield; Frank Robinson, Baltimore Orioles, outfield; Ron Santo, Chicago Cubs, third base; Tom Seaver, New York Mets, pitcher; Willie Stargell, Pittsburgh Pirates, outfield; Rusty Staub, Montreal Expos, outfield; and Mel Stottlemyre, New York Yankees, pitcher.

Its coaches were Stan Musial, John McNamara, Billy Martin, and Satchel Page.

Joe DiMaggio, the Yankee Clipper and Hall of Famer, was manager of the winning eastern team.

Members of the western division team were Hank Aaron, Atlanta Braves, outfield; Sal Bando, Oakland Athletics, third base; Johnny Bench, Cincinnati Reds, catcher; Ken Berry, Chicago White Sox, outfield; Ollie Brown, San Diego Padres, outfield; Rod Carew, Minnesota Twins, second base; Orlando Cepeda, Atlanta Braves, first base; Willie Davis, Los Angeles Dodgers, outfield; Chuck Dobson, Oakland Athletics, pitcher; Jim Fregosi, California Angels, shortstop; Tommy Harper, Seattle Pilots, outfield; Reggie Jackson, Oakland Athletics, outfield; Dick Kelley, San Diego Padres, pitcher; Lew Krause, Seattle Pilots, pitcher; Tom McCraw, Chicago White Sox, outfield; John Martinez, Kansas City Royals, catcher; Joe Morgan, Houston Astros, second base; Roger Nelson, Kansas City Royals, pitcher; Tony Oliva, Minnesota Twins, outfield; Pete Rose, Cincinnati Reds, outfield; Ken Tatum, California Angels, pitcher; Maury Wills, Los Angeles Dodgers, shortstop, and Don Wilson, Houston Astros, pitcher.

Its coaches were Don Drysdale, Elston Howard, Sandy Koufax, and Don Newcombe.

Roy Campanella, the great Dodger catcher and Hall of Famer, was manager of the western team.

Emmett Ashford and Don Denkinger were umpires representing the American League. Stan Landes and Mel Steiner represented the National League.

Team members were selected from among ball players accepting invitations to play in the classic. The 24 men who took to the field were selected by members of the Southern California Sports-casters Association and the Los Angeles-

Anaheim chapter of Baseball Writers Association of America. All teams were represented. Only representative of the San Francisco Giants present was Willie Mays, who flew in from Japan for the game. The Giants were in spring training in Tokyo.

Mrs. Coretta Scott King, widow of Dr. King, was:

delighted that so many of the great baseball stars of the country have decided to honor my late husband, Dr. Martin Luther King, Jr., by participating in the East-West Major League Baseball Classic.

My husband would have been deeply moved by this tribute, because he had a keen interest in sports and he was always grateful for the kind of commitment to justice being displayed by the athletes in this Classic. Our four children, who are avid sports fans and participants, are also very grateful for this unprecedented game.

The world of sports has done much to point the way toward realization of our democratic ideals. In every field of athletic competition, players have demonstrated that where there is a will to do so, people can learn to work together, play together, win together, lose together, and travel together as team-mates, without consideration for race, religion, or background.

By supporting this Baseball Classic, you are expressing your solidarity with those of us who are dedicated to preserving the ideals for which my husband gave his life.

On behalf of the King family and the Martin Luther King, Jr. Foundation, I extend our immense gratitude to those who have made this event possible—the Commissioner of Baseball and his staff; the participating players and the splendid retired stars; the baseball owners, and the thousands of volunteer workers and fans. With your help, we shall one day share in the realization of my husband's dream.

Reverend Ralph David Abernathy, president of the Southern Christian Leadership Conference said that:

Support of this game is a splendid way in which you are participating in the continuation of Dr. King's movement. I wish to extend my special thanks to the Commissioner of Baseball, Mr. Bowie Kuhn, and his staff; to the baseball owners; and to the great players, both active and retired, who have donated their valuable time and their marvelous talents to this unique event.

The benefits from the East-West Major League Baseball Classic are going to the Martin Luther King, Jr. Foundation and the Southern Christian Leadership Foundation, which supports the work of the organization I serve as Dr. King's successor.

The programs of SCLC are open to all regardless of race or creed, and are always conducted in the nonviolent tradition of Dr. King.

Dr. Martin Luther King, Jr. was many men—theologian, minister, scholar, and prolific author.

Born in Atlanta, Ga., on January 15, 1929, Dr. King was the eldest son of the Reverend and Mrs. Martin Luther King, Sr., and the grandson of slaves.

Through his formal education years—and before—Dr. King became painfully aware of the oppression of black people.

A well educated man, Dr. King, after receiving his doctorate in systematic theology in 1955, returned to the South. The young minister soon became the central figure in the modern civil rights movement.

Following the 381-day Montgomery Bus Boycott, Dr. King and Rev. Ralph

David Abernathy founded the Montgomery Improvement Association, the direct forerunner of the Southern Christian Leadership Conference, which was established in 1957.

From this time until the date of his assassination in Memphis Tenn., on April 4, 1968, Dr. King championed the civil rights and peace movements.

He was undeniably one of the greatest Americans in history, and known internationally as a leader of growing power and respect. He was awarded the Nobel Peace Prize in 1964, and gained a total of 23 honorary degrees.

The Southern Christian Leadership Conference faces the decade of the 1970's fully dedicated to remain committed in the tradition of its founder-president, the late Dr. Martin Luther King, Jr., to the need for continued positive action and programs pinpointed to obtaining total freedom, full equality and justice, and peace for all men.

As they say in the vernacular of the sports world: "SCLC has its momentum going!"

The East-West Major League Baseball Classic is only one corner of the total picture designed to continue and expand the programs geared to bring Dr. Martin Luther King's philosophy and sincere beliefs into reality.

Through its 13 years of existence, the Southern Christian Leadership Conference has evolved from a regional organization combating racism in the South to a national organization involved in a host of sound programs.

It was founded in January of 1957 as an aftermath of the Montgomery bus boycott of 1955-56, led by Dr. Martin Luther King, Jr. and Reverend Ralph David Abernathy. The boycott paced the modern civil rights movement, and must be looked upon as the stepping-stone from which the Southern Christian Leadership Conference launched numerous programs, all encompassing the key goal of securing economic development and basic human rights for all peoples.

From this humble beginning, SCLC started to grow. By the end of 1959, SCLC had affiliates in 10 Southern States and 22 cities. Dr. King and Rev. Abernathy the following year assisted in organizing the Student Nonviolent Coordinating Committee. In 1961, came the Freedom Rides. All the while, SCLC continued its work in voter registration, school desegregation and the use of boycotts to obtain desired results.

Two permanent programs of SCLC were launched in 1962—operation breadbasket, an economic arm originally designed to gain new and improved jobs for black people, and the citizenship education program, emphasizing literacy training and voter registration.

SCLC's demonstrations in 1963 against segregation in key southern cities, such as Birmingham and Savannah, led to the vital enactment in 1964 of the comprehensive Civil Rights Act which swept away the old segregation laws.

It was also in 1963 that Dr. King delivered the famous "I Have a Dream" oration at the march on Washington before an assembly of 250,000 persons.

The Nobel Prize for Peace was awarded Dr. King in 1964.

The Selma movement for the right to vote, featured by the 50-mile march from Selma to Montgomery, Ala., highlighted 1965 for SCLC. A total of 50,000 men and women participated in the lengthy march, with the result being the swift passing by Congress of the Voting Rights Act. SCLC followed up with a vast registration crusade which began to change the political life of the South.

In quick succession came the SCLC's participation against the oppression of black people in northern cities—Chicago and Cleveland; the Mississippi March Against Fear; and the establishment in 1968 of the ministers' leadership training program in 15 major cities.

On April 4, 1968, Dr. Martin Luther King, Jr. was assassinated in Memphis, where he had been working in support of a strike by poor garbage workers, and Reverend Abernathy was elected SCLC president.

The past year saw SCLC assist in obtaining higher wages, new respect and the right to organize for poor hospital workers in Charleston, S.C. SCLC also made a dramatic protest against poverty as men were launched to the moon. Demonstrators demanded that the Nation battle poverty with the same kind of skills and resources that went into the space program.

It was in 1969 also that SCLC became a major force in the buildup of the anti-war movement.

Programs, departments and specialized activities of SCLC are:

First. Department of affiliates and chapters: More than 300 local organizations across the Nation are affiliated with SCLC, receiving advice, direct aid and special services.

Second. Citizenship education program: Jointly sponsored by SCLC and the United Church of Christ, geared to develop local community leadership and serve the needs of the poor.

Third. Operation Breadbasket: A comprehensive economic development program dedicated to securing of employment for black people, as well as to assist in the growth of financial and business institutions.

Fourth. Department of voter registration and political education: Continued registration of voters promises a growing voice for the black and poor in all phases of the political process and the society.

Fifth. The Poor People's Campaign: This continuing drive enables SCLC to maintain an informal alliance with other groups, in addition to black people, including American Indians, Spanish-speaking Americans and poor whites.

Sixth. Organizing the working poor: In cooperation with labor unions, SCLC provides staff and resources to help organize this group.

Seventh. Students and youths: SCLC has and will continue to recruit students and other young people for campaigns of massive nonviolent action, enabling young Americans to work in local communities to change the quality and dignity of human life.

Eight. Housing for the poor: SCLC

has sponsored and cosponsored several model housing projects for the poor, featuring use of black architects and builders and the development of attractive, low-cost homes.

Ninth. Working for peace: Although essentially a human rights organization, SCLC has for one of its major concerns the need of peace and worldwide attack on the related evils of racism, poverty, and war. It is one of the strongest forces of the peace movement.

Tenth. Regional offices: SCLC maintains a full-time staff in key cities and communities, constantly available to serve local people.

Eleventh. Special Services: SCLC produces a nationwide radio program, "Martin Luther King Speaks," broadcast on Sundays over a network of 60 stations; publishes a monthly journal, "Soul Force," and stages special cultural, entertainment, and sports projects. The East-West Major League Baseball Classic falls into the sports projects category.

The Martin Luther King, Jr. Memorial Center, located in his home city of Atlanta, Ga., is a shrine of scholarly and cultural endeavors, coupled with appropriate memorials honoring Dr. King and the movement he pioneered and for which he crusaded.

The center has two major locations: One for active scholarship work research and cultural life is located in the vicinity of Atlanta University. The other combines a permanent entombment for Dr. King, a Freedom Hall, the home in which he was born, and the church he served as copastor with his father, Dr. Martin Luther King, Sr.

The first active element in the memorial center is the Martin Luther King, Jr. Library Documentation project, where the papers and other documentary works of Dr. King are being collected. Opened in the fall of 1969, the library is open to serious scholars.

The second element, the Institute of the Black World, opened in late 1969, bringing together black people and resources for the analysis and celebration of the Afro-American and black experience on a level unparalleled anywhere in the world. It is the eventual hope that the institute will offer certificates, degrees, and scholarships.

Long-range projects planned for the center include the museum of Afro-American life and culture, and the institute for nonviolent social change.

In the Auburn Avenue area, adjacent to Atlanta University, is located the entombment place, the Ebenezer Baptist Church, and the birthplace of Dr. King, to be preserved and maintained as an integral part of the center.

The final element of the center is a planned freedom hall where films, tapes, photographs, and other documentary material will be stored for public exhibition.

We were left with unfinished tasks at the passing of the founder, Dr. Martin Luther King, Jr. Through programs such as the East-West Major League Baseball Classic, we help to sustain his works—and those of the Southern Christian Leadership Conference—in quest of a better life for all men. Baseball, the great American pastime, has led the way.

TRIBUTE TO THE AMERICAN FLAG

HON. MARTIN B. McKNEALLY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. McKNEALLY. Mr. Speaker, I am most anxious that the membership of the House have the opportunity to read and ruminate upon a tribute to the American Flag composed by Monsignor George A. Rosso, Pastor of St. Thomas of Canterbury Church in Cornwall, N.Y.

The lofty sentiments contained in it are made the more significant by the fact that Monsignor Rosso served in the U.S. Navy over a long period of time. He achieved the rank of admiral. Monsignor Rosso was a dedicated naval officer as he is a dedicated pastor. It is inspiring to hear a man of his stature speak so feelingly about the American flag. This is especially so at a time when with great consternation we have watched the symbol of our country reviled and ridiculed. It goes without saying, Mr. Speaker, that Monsignor Rosso bespeaks eloquently the sentiments that most of us harbor deeply within our thoughts and hearts.

When a man with a record of great achievement admonishes us to love our country and to respect our flag, we should harken to his words. I, therefore, for the instruction of all who read this RECORD place this superlative tribute to our flag before the House today:

IN THE SPIRIT OF MEMORIAL DAY—ON THE
RED, WHITE, AND BLUE

I guess I am an incorrigible patriot. Every time I see the flag going up the staff and hear the National Anthem I choke up a bit. I suppose it might be called an emotional weakness, but if this is so, I rather like it. It gives me a warm feeling and a sense of gratitude to Almighty God that among the many gifts He has given to me not the least is being able to call America my native land.

When I see that flag I am reminded of many things. I remember going into battle in the South Pacific against the Japanese and seeing and hearing that lovely symbol snapping, there is no other word, in the strong wind of the ocean. I have seen it layed on many and many a casket and had the privilege of folding it and handing it to the next of kin and saying that this was but a small reminder of the debt America owed to one of her dead sons. I have seen pictures of it being hauled down in defeat before the caves of Corregidor in the Philippines.

I saw it waving from the *Missouri* in Tokyo Bay. I have seen it lazily floating from homes and public buildings on the Fourth of July. I have seen literally thousands of tiny flags on tiny staffs sprouting from the graves in National Cemeteries on Decoration Day. And also in our small cemeteries in Cornwall. I have seen those who would destroy it, carry the flag in parades and shout defiance to law and order under its protection.

I have seen it caricatured in Communistic paintings, spat upon and trampled and burned by mad mobs here in the United States. I have marched with it in parades; gave it tribute as it went by in the safe hands of our beloved Marines. Watched it folded ceremoniously by Blue-jackets as the last rays of the sun faded into twilight.

I have watched it climb slowly up the flagpole at the Rose Bowl game as massed bands played the Star Spangled Banner, which is why I am sitting down at this moment writing this. It's my Flag and My Country, and in all my travels over the world I have never found a more beautiful flag or a better

country. And if this is chauvinism then call me a chauvinist.

I remember a long, long time ago when I was serving with the United States Marines as a young "make-ye-learn" Chaplain. There was an old Battle Scarred Marine with whom I came in contact, and he seemed to take a liking to me. His name was Lieutenant Colonel Joseph Swinnerton; "Smokey Joe", as he was known in the Corps. He had a face like five miles of bad road and a voice an octave lower than a basso profundo. Yet, he was the epitome of kindness and understanding despite his looks and his voice.

On more than one occasion I went to him for advice and it was always good; something I would use all the years of my life in the service. One day I went to pay my respects to the Colonel and his lady as Navy protocol required. I was received most graciously and the three of us sat in his living room in San Diego and engaged in lively conversation. The radio was playing softly in the background. I was enjoying the visit immensely when all of a sudden Smokey Joe stood up at attention right in the middle of the conversation. I gasped in astonishment and wonder.

It was then, in the sudden silence, that I became aware that a band was playing the Star Spangled Banner over the radio. Joe stood there like a ramrod until the last note died away and then sat down quietly. He looked at me. There was a, well, shy look, I suppose you would call it, in his face as he explained that it was an old habit with him. He never sat during the National Anthem, no matter where he was. I have never forgotten that visit and even to this day, I am tempted and oftentimes do the same thing in the privacy of my home.

That was, as I say, a long, long time ago; and he was a young man then. I suppose by this time "Smokey Joe" has gone to his reward. If he has then I say, God rest your soul Joe and thanks for the lesson that Sunday afternoon in San Diego.

Msgr. GEORGE A. ROSSO.

INEQUITY OF TAX STRUCTURE

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. BROYHILL of Virginia. Mr. Speaker, I have been requested to insert into the CONGRESSIONAL RECORD an article written by E. Edward Stephens which appeared in the Evening Star on July 10. The article covers an inequity in our tax structure which would be corrected by the enactment of H.R. 14945 which was introduced by Congressman JERRY L. PETTIS from California:

[From the Evening Star, July 10, 1970]

COUNSEL FOR TAXPAYERS—TAX COURT DENIES
A REVERSAL

(By E. Edward Stephens)

DEAR COUNSEL: Last Friday you told about a case where the Tax Court reversed itself. Can you now describe a situation in which this tribunal refused to do so?

Yes. A striking example is the Betty Bell Huelsman decision, filed June 29.

Mr. and Mrs. Alfred J. Huelsman, of Louisville, Ky., filed joint returns for '63, '64, and '65. The Internal Revenue Service later charged that Alfred had embezzled about \$100,000 during these years and hadn't reported a dime of it as income in accordance with the Supreme Court's 1961 decision, *James v. U.S.* So IRS toted up deficiencies of \$25,190, and added \$12,595 for civil fraud penalties. When it couldn't collect from Al-

fred, IRS went after his wife, Betty, for the \$37,785 plus interest.

Dumbfounded, Betty advanced these reasons why she should not be stuck for Alfred's staggering tax debt: (1) they had been divorced since February, 1967; (2) she had to work to support herself and their son; (3) her earnings were meager; (4) she knew nothing about Alfred's alleged illegal activities; (5) she had derived absolutely no benefit from the allegedly embezzled money; and (6) she wouldn't have signed the returns if she had known they were "dishonest." When IRS turned a deaf ear, Betty sought relief in the tax court.

She was barking up the wrong tree. After a short hearing in 1968, during which IRS dropped the fraud penalties, Trial Judge Theodore Tannenwald Jr. ruled against Betty. He said the court had "much sympathy for petitioner's unhappy situation" and was "appalled at the harshness" of its decision. But, he added, "the inflexible statute (section 6013(d)(3) of the Internal Revenue Code) leaves no room for amelioration."

Betty then turned to the Cincinnati-based Sixth Circuit U.S. Court of Appeals. This tribunal (one judge dissenting) decided last October, to give the Tax Court an opportunity to reverse its course. So the Sixth Circuit wrote a pile-driving opinion, and sent the case back ("remanded it") to the lower court "for disposition within the guidelines" of the opinion. Here are three key guidelines that virtually instruct the Tax Court to rule for Betty:

"We are not convinced . . . that the statute is so inflexible that an innocent wife who has been victimized by a dishonest husband must be subjected to an additional appallingly harsh penalty by the United States government."

"Courts very often hold in tax cases, at the insistence of the government, that substance should prevail over form. The form of this case is that petitioner signed in good faith tax returns with her husband which technically made her liable for the tax on their joint income. The substance is that the money which her husband embezzled without her knowledge was not income to her in the usual sense of the word and . . . did not benefit her directly or indirectly."

"It is argued by the government that petitioner's liability is based on a contract and that by signing the contract she assumed a role somewhat related to a surety or guarantor . . . The fallacy of this argument is that petitioner was fraudulently induced to sign a return which she obviously would not have signed had the embezzled money been included in it; and the presence of actual fraud has historically been considered as grounds for relief to the aggrieved party. Moreover, . . . a husband or wife who signs a joint return becomes liable as an individual debtor and not as surety or guarantor."

Amazingly, the Tax Court remained adamant in its June 29 decision despite these unmistakable directions. So the next move is up to Betty. She can try to pay for her divorced husband's crime, or she can appeal again to the Sixth Circuit—if she can scrape up enough cash to finance a fourth court battle in her search for justice.

MARIHUANA—WARNINGS

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. COLLINS. Mr. Speaker, marihuana means problems. None of the drug debates solve anything. The extent of

physical harm caused by marihuana may be uncertain. But the shattering effect that sale or possession of marihuana may have on an individual's life is startling. The editor of the Dallas Times Herald, Felix McKnight, lists the harsh penalties on marihuana users. Read the Dallas Times Herald editorial that sums up the present serious problem of marihuana. McKnight's statement follows:

Marijuana smokers, particularly the young, should know all the facts and penalties before they light the next cigarette.

It is conceded that the young are weary of being "preached to" but, as the writer commented in recent commencement addresses, we would be derelict if we did not raise a few caution flags for study.

The medical dangers of smoking marijuana are still being debated (without too much reason) but there are other undebatable facts about sale or possession of the drug.

It can radically change—or wreck—a citizen's life. For the following shattering reasons:

1—Possession of, selling or giving marijuana to another person is a felony, both under federal and state law. If a person is convicted under these charges and receives a penitentiary sentence—or even receives probation—he is recorded in police records as a felon. Which means, for the rest of his life.

2—Loss of the right to vote; a voiding of citizenship.

3—Loss of the right to hold many public offices.

4—Loss of eligibility to enter medicine, law, nursing and many other professional areas of postgraduate training.

5—Loss of eligibility for security clearances required in many jobs involving government contracts.

6—Serious impairments of job opportunities, since the fact of a felony indictment is made a part of the credit reference reports and police records.

7—Loss of eligibility for a commission in the armed forces.

8—Loss of eligibility for a Veterans Administration pension.

9—Loss of eligibility to be an officer in a small business investment company—and many other similar business areas.

10—Loss of eligibility to work as an investment adviser.

11—Loss of eligibility for a Civil Service pension or annuity.

12—Loss of eligibility to hold office in any labor union.

Roundup of these penalties should be credited to the Texas Association of Consumer Finance Companies. A very worthy public service.

But to the young, who soon will enter business and professional fields, there are additional warnings.

In Texas, and most of the others, a person loses for his lifetime the right to work in the following trades and professions if he is convicted of a felony:

Law, state banking department, barbering, hairdressing, cosmetology, dentistry, district clerk, funeral director or embalmer, life insurance counselor, nursing, optometry, pharmacy, physician or surgeon, plumbing, membership in a rural credit union, public school teaching.

A further reminder: Anyone convicted of a felony has a permanent police record with the local police, the state police and the FBI. Prospective employers and credit bureaus regularly check these sources when hiring.

The question? Is the arrest and conviction for possession, sale or passing of marijuana worth sacrificing citizenship and opportunity?

This generation—the brightest, healthiest and most promising of all—has mountains to climb to keep this greatest of free nations moving upwards.

It must win the true peace, it must establish true brotherhood, it must conquer cancer and heart disease, it must cleanse the earth of foul pollutants, it must destroy man's distrust of man.

It has work to do and it has all the equipment to do it.

It is unthinkable that it would foul its opportunity by risking felony conviction for the brief and fleeting experience of exposure to marijuana—or any other drug. To prove their right to challenge the "establishment," they could win the gratitude of a nation by suffocating the vile dope pushers who endanger their futures, their very lives.

Some argue that possession of marijuana should become a misdemeanor. But the very cold fact of it is—it is still a felony.

SECURITY IN THE HOUSE NO FIGMENT OF IMAGINATION, BUT A FACT OF LIFE

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. ROSENTHAL. Mr. Speaker, during debate on the Legislative Reorganization Act of 1970, it has been suggested that recent publicity about secrecy in the House of Representatives is the result of a great campaign instigated by the news media and that the charge of secrecy in the House is nothing more than a figment of the imagination of the news media. I must take issue with that allegation.

I will accept that perhaps the press is sensitive to House secrecy, because quite obviously secrecy in the legislative process hinders the press in discharging its responsibility to the public—the reporting of the activities of the elected Representatives of the people. But to assert that the press has contrived the secrecy issue out of whole cloth is a gross distortion of the facts.

Secrecy is not a figment of anyone's imagination; it is an undeniable fact of life in the House. It is also a well-documented fact of life as a result of an excellent report by the Democratic Study Group. The DSG report has been the basis for many editorials and columns supporting the bipartisan antisecrecy amendments. Some newspapers also reprinted the DSG report, among them the Wall Street Journal.

Mr. Speaker, the Wall Street Journal is not the kind of newspaper that concocts or prints figments of imagination. It has a well-deserved reputation for hard-nosed, accurate reporting of the news. It reprinted major excerpts from DSG's secrecy report in an article by reporter Norman C. Miller because the Journal's editors assessed the report not only as accurate but highly pertinent to the public interest. I agree. I commend the Journal article to my colleagues and I ask that it be printed at this point in the RECORD:

[From the Wall Street Journal, July 14, 1970]

IN THE HOUSE, A HASSLE OVER SECRECY

Congressional rules seem a dry-as-dust subject, yet they have a powerful and pervasive effect on legislative consideration of just about every important issue. Particu-

larly in the House of Representatives, an elaborate array of restrictive procedures has been developed over the decades to shield the decision-making process from public view and understanding. Rules encouraging secrecy in the House greatly enhance the power of chairmen in closed-door committee sessions and enable all Congressmen to escape public accountability for key votes in committee and even on the House floor.

Now, however, the long-entrenched system of secrecy in the House is under vigorous attack from a bipartisan reform group of generally younger Congressmen. They include liberals and conservatives who share a common concern that secrecy is a root cause of the low esteem in which the House is held by voters. A pallid Congressional reorganization bill which reached the floor yesterday gives the reform block a chance to attempt to rewrite House rules to provide for more open debate and decision making. An incisive analysis by the staff of the Democratic Study Group, a loose alliance of more than 100 liberal House Democrats, discusses the dimensions of the secrecy problem and outlines reforms the bipartisan group will urge.

Secrecy pervades the legislative process in the House of Representatives. Arbitrary and undemocratic procedures are so much the rule that they are hardly noticed let alone seriously challenged. Yet secrecy has a more debilitating impact on the House than its well-publicized companion, the seniority system.

Secrecy in the House is corrosive. It undermines the democratic process by denying members information they need to make intelligent legislative decisions and by denying voters information they need to make informed electoral decisions.

It destroys public confidence in the House as a responsive legislative body. It makes the House incomprehensible to the average citizen and contributes to the growing distrust of elected officials. . . .

Secrecy in the House takes many forms. It is closed committee meetings; it is refusal to disclose record votes taken in committee; it is the unavailability of reports and other information about the contents and effect of legislation; it is non-record votes on major amendments during floor consideration of bills; it is closed House-Senate conferences and more off-the-record votes; it is calling up conference reports and other measures for a vote before members have had adequate opportunity to study them. . . .

MANY CLOSED HEARINGS

Nearly half of the hearings and meetings of House committees are closed to the press and public. Most of the closed sessions are held by major committees such as Ways and Means, Armed Services, Foreign Affairs and Appropriations. Indeed the powerful Appropriations Committee holds all of its more than 300 annual meetings and hearings behind closed doors, out of sight of the taxpayers who foot the bill for its actions. The House Appropriations Committee is the only Congressional committee which always meets in secret session. . . . The Senate Appropriations Committee manages to hold 75% of its meetings open to the public and the press. . . .

Most committees open the majority of their hearings to the public, while closing their doors for mark-up sessions in which members vote on various provisions of the bill under consideration. . . . Except for the Education and Labor Committee, each member's vote on key provisions of legislation considered in House committees is withheld from his constituents and the public generally. . . .

Committee reports and hearings are frequently filed too late to permit members adequate time to review them before they must vote on the legislation. Appropriations Committee reports are generally unavailable until a few days before the multi-billion

dollar measures are approved by the House. In most instances, transcripts of the closed-door Appropriations hearings—which average over 4,000 pages per bill—are published so late that even members of the Appropriations Committee not on the subcommittee involved do not see them until the day the full committee meets to report the legislation. Similarly, the several thousand pages of Armed Services Committee hearings are usually not made available until the day before floor consideration of the measure begins. . . .

The House considers most amendments to legislation while it is meeting as a committee of the whole, a procedure under which no-record votes are taken. Thus, constituents have no way of knowing how their Representative votes on most major amendments. These votes—regardless of how important—are either by voice or division (in which members stand in place to be counted) or teller (in which members file up an aisle between tellers who count them as they pass). No record is made, however, of how—or even whether—members voted. . . .

All House-Senate conferences (to work out differences between House and Senate versions of a bill) are closed to the public, the press and other members of Congress. Although conferences often significantly alter legislation passed by the two houses, no record of what occurs during a conference or how the conferees vote on the key issues involved is made available.

A LIMIT ON DEBATE

When the conferees reach agreement, they report back to their respective houses. In the House, a conference report may be taken up almost immediately, the only requirement being that it be printed in the record. Thus a report filed for the record at the close of business one day may be called up for debate and a vote at the opening of business the next day. Since conference reports are often obscure and complex and since debate is limited to one hour, such a procedure does not give members adequate time to gain an understanding of the conference agreements before voting to approve or disapprove the measure. Further, even when conference reports are not called up immediately after being reported, they are called up without notice. . . .

Non-record votes and closed committee sessions saddle all members of the House with the poor image that secrecy engenders. Non-record votes reduce participation and make it almost impossible for members to get support for amendments regardless of their merit. Less than one-third of all House members generally participate in non-record votes on amendments and the vast majority of them fall. . . .

Closed committee sessions pose additional problems for members by making it more difficult to reject the entreaties of interests seeking legislation not in the public interest. The lack of early availability of committee reports works to the disadvantage of members by denying them adequate opportunity to make an intelligent evaluation of pending legislation or to draft amendments and seek support for them. This often places members in a position in which there is little choice but to accept the recommendations of the committee which reported the bill.

Closed committee meetings, secret or non-record votes and lack of information prevent the press from meeting its obligation to fully and accurately inform the public about the conduct of public business in the House. Closed committee sessions make reporters dependent on "leaks"—thereby increasing the possibility of misleading reports or outright manipulation of the press through "leaks" designed to favor a particular point of view. . . .

Secrecy gives special interests an advantage over the public interest by permitting professional lobbyists to exert an influence

out of proportion to the righteousness of their cause. Finally, the public interest is not served when such major issues as the ABM, the SST, the invasion of Cambodia, school desegregation, civil liberties and air and water pollution are decided anonymously. The poor attendance on many of these votes (in the current session) effectively disfranchised many constituents and in some cases permitted the continuation of programs and policies opposed by the public.

The legislative reorganization act of 1970, scheduled for House consideration in mid-July, provides the first major opportunity in a quarter of a century to attack the problem of secrecy in the House. . . . Numerous amendments are anticipated—including several designed to open House proceedings to more public scrutiny. . . .

One of the major proposals would simply authorize clerks to record the names of members as they pass through teller lines. . . . This is perhaps the most important reform amendment which will be offered. It would not only permit constituents to better evaluate the performance of their Representative, it would also significantly improve member participation in voting on amendments to legislation. Ironically, however, whether such record votes will be permitted will be decided by non-record vote under present procedures.

The public has a right to know how their elected Representatives vote on matters which come before them in committee as well as in the House. . . . The only change in this situation provided by the legislative reorganization bill is a meaningless requirement that committees announce the vote total on motions to report legislation—but without indicating how each member voted.

To provide substantive reform in this area, an amendment to the legislative reorganization bill is being considered which would require that each member's vote on committee and subcommittee roll calls be made public.

The legislative reorganization bill contains provisions stating that committee hearings and business meetings "shall be open to the public except when the committee, by majority vote, determines otherwise."

This language is only slightly different from the present rule and would therefore have little, if any, effect in opening more committee hearings and meetings. . . . An amendment is therefore being considered to require a two-thirds roll call vote to close a meeting or hearing, plus disclosure of the reasons for doing so. This would promote more open sessions while still providing committees with flexibility to close hearings and meetings involving national security matters or other sensitive issues.

THREE AMENDMENTS

Members must be provided with reports, hearings and other information sufficiently in advance of floor consideration of legislation so that they may know what they are voting on. . . . Thus, the following three amendments are being considered in this area:

1. An amendment requiring that the committee report on any appropriation bill be delivered to each member's office at least seven days before House action on the measure. Such a requirement is not unreasonable in view of the fact that appropriations bills involve the expenditure of billions of tax dollars.

2. An amendment requiring that the committee report on any non-appropriations measure be delivered to each member's office at least three days, excluding weekends and holidays, before House action.

3. An amendment requiring that House-Senate conference reports be available to members for at least three days before House action and that advance notice be given when such reports are to be called up. . . .

These amendments would end the practice of developing legislation behind closed doors and then rushing it through the House before

members have had an opportunity to analyze the measure. As the Joint Committee on the Operation of Congress noted in its 1966 report, bills which cannot survive scrutiny are bills that should not be enacted. "The world's most powerful legislature cannot in good conscience deprive its membership of a brief study of a committee report prior to final action," the bipartisan committee noted.

The rules changes demanded by reformers are certain to meet strong opposition from veteran Congressmen of both parties who feel their power threatened. It will be an upset if the reform forces win, and the results would not be immediately apparent in terms of legislative decisions. But a lifting of secrecy would fundamentally enhance the now-paltry influence of rank-and-file Congressmen, at the expense of House elders, and that would be bound to have a lasting impact on legislative decisions.

CAUTIOUS OPTIMISM POSSIBLE OVER MIDDLE EAST SITUATION

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. BIAGGI. Mr. Speaker, I would like to express a word of cautious optimism over the recent developments in the Middle East. The positive response by the Egyptians to a U.S. proposal for a cease-fire and peace talks gives some hope for the future. However, we are still a long way from a settlement.

Two key elements in the proposal, if accepted, would represent real steps forward. The required recognition of the sovereignty, political independence, and territorial integrity of the countries involved is one essential point on which there can never be a compromise. The second very important element is the provision for a cease-fire and the start of peace talks.

Now, while a cessation of hostilities is necessary if meaningful negotiations are to be completed, there must be sufficient safeguards to prevent a buildup of weapons and missiles in Egypt or her neighboring Arab States. Israel would be foolish to accept even a temporary cease-fire if at the end of such a period it would face a much better equipped enemy army.

As it is, the military balance is quickly shifting to the Arab side. The introduction of Soviet SA-2's is a very grave escalation of the tense situation in the area. Now even the Syrians have the deadly SA-2's and will probably soon have SA-3's also. Libya, too, is getting in the act. The Soviets have shipped large amounts of military equipment, including tanks and troop carriers, to that oil-rich desert country. The French will soon sell them 110 Mirage jets.

These extensive arms buildups pose a very serious threat to Israel's future security. A cease-fire that would not bar arms buildups would be too great a risk for our tiny embattled ally. Until the Soviet Union and its near-puppet Arab governments stop the upward spiral in arms and missiles, Israel has no choice but to continue bombing the missile bases and

other strategic installations. Regardless of what may come of the present peace proposals, I firmly believe we must supply Israel with the jets she has requested for her own defense. I would point out we are selling these jets to Israel, not giving them away. Unlike in Southeast Asia, it does not cost the taxpayers 1 cent to help our ally defend democracy and freedom in the Middle East.

As I pointed out in this Chamber several months ago, any settlement in the Middle East must contain guarantees for Israel's security and must be arrived at through negotiations between the countries involved and not as a result of a solution imposed from the outside.

I believe the present proposal embodies the spirit of my letters to the President and the Secretary of State last January. The recent U.S. peace initiative quite clearly points out the need for an eventual face-to-face discussion between Israel and her warring neighbors as central to a final solution. It further leaves the details of a settlement to the parties directly involved.

If the proper guarantees against arms buildups can be obtained, I hope that Israel would seriously consider following through on this move toward peace. I am confident that the wisdom and prudence of the Israeli leaders will guide them to the right decision.

LIMIT AID TO STOP ILLEGAL DRUG EXPORTS

HON. HAROLD R. COLLIER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. COLLIER. Mr. Speaker, the importation of heroin and other hard narcotics is causing a catastrophic social dilemma to occur throughout the United States. While this country lends foreign aid assistance to countries such as Turkey, they, in turn, refuse to adequately police a drug traffic that is bringing ruin to a whole segment of our society.

H.R. 18397 may give a partial solution to our insidious drug problem that becomes worse each year. As a cosponsor of this legislation, I would like to offer two WCBS radio news editorials for the Record in hope that they will further elucidate the concern that many of us now hold.

The editorials follow:

[From WCBS radio, July 12]

New York City was chosen as the site of recent Congressional hearings on the drug traffic, and for the most unflattering of reasons. The city holds the dubious distinction of housing the country's largest concentration of heroin addicts.

Half of all the addicts in the United States live in New York City.

At the hearing, spokesmen for state and Federal law enforcement agencies and other authorities on narcotics control, repeatedly emphasized one argument: The war against drug addiction is foredoomed, unless the Federal government finds ways to cut off the flow of drugs from abroad.

The South of France is the major European

center for the manufacture of heroin. Most of it, until fairly recently, was shipped to the United States—a circumstance that did not appear to disturb to any marked degree either the French people or their government.

But now, addiction has become something of a problem in France itself and penalties for narcotics dealers are becoming harsher there. Even so, there is little visible indication that large numbers of the heroin factories around Marseilles are being closed and their operators put out of business permanently.

The continuing flood of heroin into the United States makes it a problem to be handled as an emergency matter, and at the highest diplomatic levels.

Two Congressmen from the tri-state area see the problem in the same terms. New York's veteran Representative Emanuel Celler and New Jersey's Representative Peter Rodino are sponsoring jointly a different approach to narcotics control. They are introducing a bill that would authorize the President to suspend economic or military aid to any country which fails to take appropriate steps to prevent narcotics produced or processed within its borders from entering the United States unlawfully.

The bill would also permit American assistance in the form of agricultural subsidies to countries where poppy crops are being replaced by others.

A prime target of the proposed law would be Turkey, which receives generous development funds from the United States. Turkey is the original source of 80 percent of the heroin now smuggled into this country.

WCBS Radio urges all Congressional delegations, not only those from the tri-state region, to support the Celler-Rodino narcotics control bill.

[From a WCBS radio editorial, July 9-10]

Heroin addiction in the United States last year cost non-users about two billion dollars in stolen property. The robberies were used to finance a habit that in every way is the costliest of all bad habits.

In New York City, heroin took the lives of 800 addicts last year. Two hundred of those who died of an overdose were children. Drug addiction has become the leading cause of death in New York between the ages of 15 and 35.

The Federal Bureau of Narcotics and Dangerous Drugs has increased its staff of agents in New York and the police department is assigning more and more officers specifically to the narcotics beat. But heroin continues to surge into the Port of New York, by sea and by air.

From where does it come? Almost all of the heroin sold on American streets is manufactured in illegal French laboratories located around the port of Marseilles.

Clearly, the strongest Federal action must be taken to cut off the supply at its major foreign sources. That is, Turkey, Lebanon and Iran, where most of the opium is grown for the American market. And France, where it's converted into heroin.

Washington should take a much firmer line with the governments of all the countries involved in heroin traffic. We should insist on more rigorous and broader inspection of baggage and freight leaving European sea and airports. We should demand evidence of an intensive official crackdown on the heroin factories in France and the poppy fields of the Middle East.

Some American officials concerned with narcotics abuse see this as a simplistic approach. They claim it would achieve little to close down the opium producers and the factories in the offending countries. The growers and the large-scale dealers would simply transfer their operations to other countries.

But the United States has other options. It has economic weapons it could use against a

number of countries in Europe, the Middle East and Asia which display excessive tolerance of their own nationals who are guilty of trafficking in this killer drug.

Congressmen from New York and New Jersey have been considering legislation along those lines. We'll examine their proposed bill in another editorial later this week.

OUR YOUTH TODAY

HON. F. BRADFORD MORSE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. MORSE. Mr. Speaker, I am privileged to bring to the attention of my colleagues a letter I recently received from an outstanding young American, Peter Johnson, of Woburn, Mass., who is president of the Massachusetts State chapter of the Future Farmers of America. He is an extremely thoughtful young man who loves his country and respects the principles on which it was founded, but who is acutely aware of our shortcomings in living up to these ideals, and is sincerely, conscientiously, and responsibly concerned with the future.

The questions he asked reflect the thinking of much of our youth today. He has not sought refuge in the rigid and unproductive extremes of the right or left. Indeed, his is a kind of patriotism on which the very future of our society depends, for he embodies the quotation—often incompletely quoted and incorrectly interpreted—which says "Our country, right or wrong. When right to be kept right; when wrong, to be put right."

Too many of us, out of an inability to keep up with the rapid pace of change in the world, out of weariness with the increasing complexity of problems, or out of a growing rigidity in attitudes that too often comes with age, or perhaps from a fear of questioning values which have guided our lives for so long, look upon those who ask these questions with suspicion.

Yet it is the very freedom to question, and the creative search for the answers, that has sustained this Nation for almost 200 years. I urge, therefore, my colleagues' understanding of the concerns—and the ideals, principles and hopes—which are expressed in this letter:

WOBURN, MASS.,
July 3, 1970.

HON. F. BRADFORD MORSE,
House of Representatives,
Washington, D.C.

DEAR BRAD: As Massachusetts state president of the State Chapter of the Future Farmers of America, I will be down in Washington for the week of July 19-25 for the F.F.A. State and National Officers Conference. Is it possible for me to talk with you at that time?

Ironically, this letter is being written on the eve of our celebration of our Independence. You, along with myself and most others, are for peace. I am also for America. However, I cannot with full conscience support an institution that is based on destruction, death, and hate. That is not America. Peace can occur through productive rather than destructive means.

Being in the field of agriculture, I see the problem with most underdeveloped countries is a badly needed education of necessities in the fields of health and agriculture. Who are we to say to our brother who doesn't want the American form of government that they are wrong? That in itself is not Democratic or American. But we can teach them how to take care of themselves so they can produce and live for themselves while being governed the way they want to. We must realize that America is the United States and not the world. Our world alliances are having us assume powers of the United Nations which is not our purpose. Education is one thing, where forced persuasion is another. Am I wrong to think that learning to kill or even being a member of an institution that is directed this way is un-American?

Amendment II of the Bill of Rights states that a well-regulated militia being necessary to the security of a free state shall not be infringed. Directly, American's freedom is not being threatened. Its form of government is only being questioned by others who feel that their governmental institutions speak better for their society. What we need for a defense army is only a handful of scientists to assume positions with our weapons and a handful of educators to solve questions at our tables. Wars can no longer be solved on a battlefield, for countries are too powerful to allow a handful of men and a piece of land, captured or denied, to determine the outcome of their enmity. The only thing lost is our brothers and the only thing gained is an ounce of pride. Is it worth it? America can and must afford to be humble in exchange for a living, youthful male public who can direct themselves to a goal of their own—be whatever it is. That is a democracy. A government is by and for the people.

Sincerely yours,

PETER M. JOHNSON.

MURDER OF POLICE

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. WOLFF. Mr. Speaker I share the outrage of all civilized men at the sniper killings of two policemen in Chicago last week. By now everyone knows that these two men were doing volunteer work in community relations and this would seem to multiply the horror of these killings. However, as pointed out in an editorial in today's New York Times, this terrible crime has had an encouraging aftermath. I believe that all of us should be made aware of some of the hopeful signals that are a result of the work of these brave and dedicated men. Mr. Speaker, with that in mind, I am pleased to include the following editorial from the Thursday, July 23, New York Times:

MURDER OF POLICE

The police have been and are at the center of so many of the tensions that now roll the nation that individual policemen, police stations and police equipment have become frequent targets of attack by would-be murderers and bombers. It was in this pattern that two Chicago policemen were killed a few days ago by sniper fire from windows in a housing project.

However, this terrible crime had an encouraging aftermath. The victims were white policemen who were participating in a pro-

gram designed to improve black community relations with the police. The program has apparently had significant success, and the housing project's residents, outraged by the murders, gave important aid to the investigation. Several arrests resulted.

The extremists who think of the police only as oppressors of blacks will no doubt be surprised at this phenomenon. But blacks know that they are the principal victims of black criminals, and that better police protection is one of the chief needs of many black communities. The aftermath of the atrocious murders in Chicago has only emphasized that efforts to improve understanding between police and the blacks are worthwhile, and that revulsion against cowardly crime is restricted by no color lines.

SMALL BUSINESS ADMINISTRATION CIVIL SERVICE POSITIONS

HON. ROBERT H. MOLLOHAN

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. MOLLOHAN. Mr. Speaker, I want to call the attention of the House to the Jack Anderson column of July 18, 1970, in which he reveals some of the activities now being carried on at the Small Business Administration under the direction, or more properly the misdirection, of Administrative Hilary Sandoval, Jr.

From the experience in West Virginia, I can tell the House that Mr. Anderson's column only begins to uncover the activities of Mr. Sandoval's Small Business Administration. I have never seen such disregard of the civil service or such use of a Government program for political purposes in the more than 20 years I have known Washington.

In West Virginia, the SBA first downgraded their Clarksburg office from regional to district, on the pretext that this would give uniformity of level to the Government department. Then the SBA transferred to Philadelphia the regional Administrator, who had developed a considerable expertise in West Virginia business and finance, and who had built up a solid working relationship with the West Virginia businesses and banking community. I might add that the SBA in this case achieved its objective because the Administrator resigned rather than work in a position where his skills were not being used.

In the same Philadelphia regional office, the SBA now has an attorney from South Dakota who was transferred from the SBA office in Sioux Falls to Philadelphia at no increase in grade. The Philadelphia office is also employing the practice of reducing its employees in grade and transferring them to undesirable assignments in the hope that they will resign so that these employees can be replaced by political partisans of Sandoval's choosing.

Mr. Speaker, these transfers and downgradings do not involve the political or schedule "C" positions within the Government but civil service positions. These transfers do not involve top policy-making positions, and they are not restricted to regional and district Adminis-

trators. The sorry fact is that the administration is reaching down to field office personnel, and in the case of the Small Business Administration, to loan officers and secretaries.

Mr. Speaker, this practice is disrupting the entire Small Business Administration, and it threatens to make a sham of the Government's programs and the civil service system as such. Over the last two decades, through both Republican and Democratic administrations, the Government has attempted to establish a truly effective career civil service throughout the Government to administer our various programs competently and efficiently. We have done so in the realization that career civil service would yield us much better results than a spoils system.

But today, the Small Business Administration and other departments of Government as well, are dismembering the civil service. They are making a sham out of the careers of dedicated public servants, and emasculating the programs they are supposed to facilitate. The American public will pay the price of this arbitrary politics-over-performance policy for it will receive not only ineffective administration of the programs supposed to serve them, but it will also find that fewer and fewer competent men and women are willing to work for so arbitrary an employer.

Mr. Speaker, it is time for us to put a stop to this. The Congress is required to approve funds for every operating agency in Government, and it is time for us to start investigating the employment practices of agencies such as the Small Business Administration and any other department that employs these tactics.

Mr. Anderson's column, "The Washington Merry-Go-Round," follows:

THE WASHINGTON MERRY-GO-ROUND
(By Jack Anderson)

Hilary Sandoval Jr., sometimes called "Hilarious Hilary" by subordinates who retain their sense of humor, has kept the Small Business Administration in an uproar since he took it over 16 months ago. Consider these highlights:

He loaned \$41,000 to a Denver dive, called the Body Shoppe, which features topless go-go dancers. This curious cultural investment of the taxpayers' money was justified, said a spokesman, because the go-go bar had been displaced by an urban renewal project.

As evidence that voters who elect Republicans will be rewarded with federal blessings, the Republicans arbitrarily approved a \$315,000 loan that the Philadelphia regional office was ready to reject. This happy sum went to Lawrenceville Furniture Industries of Lawrenceville, Va., an enterprise that, unhappily, hasn't paid it back. Our investigation shows that the Republicans took the application away from Philadelphia after learning the regional office wouldn't okay it and forwarded it to Richmond with a Washington endorsement. This was intended as a political shot-in-the-arm for Virginia's GOP Gov. Linwood Holton, say insiders, to help persuade the electorate that it pays to vote Republican.

Sandoval has squandered hundreds of thousands of dollars to move civil service employees, whom he suspected of Democratic leanings, to undesirable posts. The taxpayers

were stuck with the moving costs, per diem payments and other incidentals.

Unpublished records show astonishing mismanagement of the Small Business Investment Companies, which Sandoval likes to brag about. In fiscal 1969, with Sandoval in control for a third of the year, there were 1,500 violations by SBICs. Five hundred of them were major. For example, 40 small business investment loans were actually used to finance big business. There were also 62 guideline violations, 56 conflicts of interest and 25 floutings of agreements. During the first nine months of the 1970 fiscal year, another 725 violations were reported.

Sandoval has also boasted that he has loaned out \$28 million to minority businessmen. Yet half of these loans were committed by the Democrats before he came to power. The bitter truth is that some of these loans went to poorly-run black businesses, which were given noncompetitive government contracts at far higher costs than the government previously had paid to established firms. Some of the established firms have now been bankrupted by the loss of business.

The House Small Business Committee, headed by Rep. Joe Evins (D-Tenn.), will take Sandoval over the coals at hearings scheduled next week.

TWO DANGEROUS PROPOSALS

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. LONG of Maryland. Mr. Speaker, the rising crime in the District of Columbia has been of deep concern to us all. However, two proposals of the Nixon administration to deal with crime have raised as much concern as the situation with which they deal. I have just read an excellent editorial in the *Arbutus Times* discussing the hazards of such legislation, and I should like to share this article with my colleagues by including it in the RECORD:

TWO DANGEROUS PROPOSALS

In understandable zeal to reduce the appalling crime rate in the District of Columbia, the Nixon administration has proposed two pieces of legislation that affect basic constitutional rights and should be rejected by Congress.

One proposal, the so-called no-knock law, would empower the police to break down the door of a habitat where authorities strongly suspect illegal drugs are being stored or used.

The other Nixon administration proposal, the preventive detention scheme, would allow the imprisonment without bail of certain persons whose records, in the opinion of authorities, are such that they pose a danger to the public if allowed to be free on bail while awaiting trial for an offense.

The no-knock proposal originated as a means of enhancing the enforcement of police of narcotic laws. Dealers in illegal drugs are crafty. They often get rid of contraband material before police have a chance to search their place. If only police could arrive in the middle of the night and burst in by surprise, the argument went, then their success at stamping out illegal drug traffic would be quadrupled.

It's a perfect example of a bad law being proposed in frustration over the inability to

get the goods on a slippery criminal. The constitution of this country plainly declares against sudden searches of a man's home by government authorities, and the procedure of a judge issuing a search warrant before police may enter a dwelling to carry out a search is a basic part of the protections an individual enjoys in the United States. No matter how cautious a police agency may conduct its investigations, there will always be times when mistakes are made. A man's home, as Marylanders often have been reminded, is still his castle. As such it is sacrosanct. The no-knock proviso must go.

Preventive detention, is a vague term, but it boils down to nothing more than imprisonment without bail in non-capital crime cases. Such a thing is a giant leap backward for America, land of freedom and country where the individual is not trampled underfoot by the state as in the Soviet Union, Communist China and other despotic nations, including these of the right.

These two proposals—preventive detention and the no-knock proviso—are being actively pushed by the administration in the sincere beliefs that they will help reduce the crime rate in the nation's capital. Vice President Spiro T. Agnew is among those in the forefront of the battle to get the two new laws, but this time Ted is mistaken.

Fortunately, the same constitution under attack by those proposals established the system of checks and balances in the federal government that will see the defeat of the two proposals. The U.S. Senate so far has resisted the President's attempt to ramrod these measures into law, and a majority of that body shows no sign of weakening. That is good.

PUERTO RICAN DAY CELEBRATED

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. RODINO. Mr. Speaker, once again I would like to call to the attention of my colleagues the celebration of Puerto Rican Day.

The Puerto Ricans are among those who have enhanced the diverse and unique traditions which have contributed to our heritage and have made us a multifaceted people.

The Puerto Rican community in my congressional district is a vitally active one, and in the best of America's tradition is playing a major community role in a continuing effort to achieve harmony within the community and in providing the opportunity for the self-realization for all citizens.

I was pleased to share on this occasion once again as my city of Newark celebrated with a statewide Puerto Rican Day parade at which Miss Marisol Malaret Contreras, Miss Universe, and formerly Miss Puerto Rico, reigned.

Mr. Pedro Diaz, president of the parade committee, Luz Miriam Hernandez, executive secretary, Jose Rosario, Pablo Rivira, Anthony Perez, and Marie Gonzalez, parade grand marshal, contributed selflessly to this event as they do to the community at large. I commend and congratulate these dedicated citizens and I am confident of their continued commitment and outstanding service.

RESULTS OF LEGISLATIVE QUESTIONNAIRE

HON. GARRY BROWN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. BROWN of Michigan. Mr. Speaker, the response of my constituents to my fourth annual legislative questionnaire is most gratifying. The extremely high degree of interest in their Federal Government and the critical issues of today manifested by the residents of the Third District of Michigan compares favorably with any area in our country.

These results demonstrate substantial agreement among a high percentage of my constituents on current critical issues. The highest percentage of agree-

ment is on the handling of campus protest and disturbances. The lowest concurrence is on the question of requiring draftees to serve in combat areas in the absence of a declaration of war.

Substantial support of the Cambodian action ordered by President Nixon is shown; and, most would like to see an elimination or a restriction of the meeting of our military needs by means of the draft.

The 18-year-old vote is still not supported by most and even if it were to be authorized, more prefer that it be accomplished by constitutional amendment than by Federal statute.

Displeasure with the present system of lifetime appointments and voluntary retirement in our Federal judiciary system is demonstrated. In its stead, most would prefer a mandatory retirement age and

some opportunity to review the record of a judge or a Justice during his term on the bench.

On the question of pollution, there is general agreement that more needs to be done. A substantial majority of the responses favor an increase in Federal assistance for sewage treatment programs; tax incentives to encourage industry to provide its own pollution control devices and programs; and there is even good support for treating the cost of disposing of wastes as a cost of the product of which the waste is an inevitable consequence.

In order that my colleagues might review the actual answer percentage, draw their own conclusions, and compare the opinions of my constituency with their own, I am including with these remarks the complete tabulation:

[In percent]

	His	Hers	All		His	Hers	All
Campus disorders:				Federal judges:			
(a) Should peaceful protest activities be permitted on campuses so long as they do not interfere with the operation of the school?				(a) Do you believe that a mandatory retirement age, such as 70, should be established for Supreme Court and other Federal judges?			
Yes.....	72	70	71	Yes.....	77	76	77
No.....	26	27	27	No.....	20	20	20
(b) Should student strikes and sit-ins be permitted, if they interfere with operation of the school?				(b) Should the continued occupancy of office by each Supreme Court Justice be voted on by the U.S. Senate every 12 years, or so?			
Yes.....	6	5	6	Yes.....	75	79	77
No.....	92	93	92	No.....	19	15	17
(c) Should colleges and universities be closed to end or prevent violence?				(c) Should the existing system of lifetime appointments and voluntary retirement be continued?			
Yes.....	31	32	31	Yes.....	14	11	13
No.....	66	63	64	No.....	81	82	82
(d) Do you think the authorities have been "too tough" in the handling of campus disorders?				Pollution:			
Yes.....	8	9	8	(a) Should much greater sums of Federal money be provided for improved sewage treatment systems?			
No.....	89	88	89	Yes.....	68	68	68
The draft:				No.....	25	23	24
(a) Should deferments be limited to hardship cases only?				(b) Should Federal income tax incentives be enacted to encourage industry to provide its own pollution control devices and programs?			
Yes.....	70	62	66	Yes.....	70	70	70
No.....	27	32	29	No.....	24	20	22
(b) If Congress has not formally declared war, should draftees be required to serve in combat areas?				(c) Should Congress pass additional laws requiring pollution-free products, with increased production costs passed on to consumer?			
Yes.....	50	42	46	Yes.....	61	56	58
No.....	45	50	47	No.....	31	32	32
(c) Should the "draft" be replaced with an all-volunteer military service, as soon as possible?				(d) Should Congress ban all fuels, ingredients, and materials which cause air and water pollution?			
Yes.....	59	60	59	Yes.....	40	45	43
No.....	36	33	34	No.....	50	41	45
18-year-old vote:				Southeast Asia and Cambodia:			
(a) Should the minimum voting age be lowered to 18 years?				(a) Do you agree with the action that the President has taken?			
Yes.....	34	36	35	Yes.....	75	68	71
No.....	64	61	62	No.....	21	25	23
(b) If the voting age is to be lowered, should it be done by amending the Constitution so that State legislatures can vote on the question?				(b) Do you agree with the action the President has taken so long as it is limited to the purpose, territory, and time that he has stated?			
Yes.....	57	56	56	Yes.....	67	65	66
No.....	33	31	32	No.....	25	25	25
(c) Do you believe it is desirable for the Federal Government to have the power to regulate voter qualifications, such as voting age?				(c) Do you disagree with the action because you feel it will result in an escalation of the war?			
Yes.....	52	52	52	Yes.....	17	21	19
No.....	43	41	42	No.....	70	62	66
(d) Should each State decide on the minimum voting age for itself?				(d) Do you disagree completely with the President's action?			
Yes.....	40	37	38	Yes.....	18	21	20
No.....	56	57	56	No.....	72	66	69

MAN'S INHUMANITY TO MAN—HOW LONG?

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. SCHERLE. Mr. Speaker, a child asks: "Where is daddy?" A mother asks: "How is my son?" A wife asks: "Is my husband alive or dead?"

Communist North Vietnam is sadistically practicing spiritual and mental genocide on over 1,500 American prisoners of war and their families.

YOUTH ON THE MARCH

HON. SEYMOUR HALPERN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. HALPERN. Mr. Speaker, a most worthwhile cause was called to my attention recently by a dedicated young student from my district, Diane Janoff, of Forest Hills, N.Y. I was so impressed by the activities of this girl and the other youths who are doing such worthwhile work to combat hunger, that last week in the CONGRESSIONAL RECORD I sub-

mitted some background on the Young World Development, part of the American Freedom From Hunger Foundation. I wanted to call such outstanding endeavors to the attention of my colleagues in the Congress.

Recent activity and marches, however, should also be recorded as an indication of the determination of these young people, and the constant challenge they present to us as legislators.

One such march for hunger was held in the late spring, and although Diane was a little disappointed in the amount they raised, a sum well in the thousands was collected to aid those fighting poverty and hunger around the world. Many

hundreds turned out for the march—either to walk or watch—which followed a circular route through Queens, starting and ending at Shea Stadium. Each mile was sponsored by patrons who had been canvassed or who had read about the march in the papers, and the overwhelming enthusiasm demonstrated the increased national awareness to the needs of the poor.

Thanks to programs like Young Development all over the country, the public everywhere is becoming aware that action is needed, and are contributing their time, talent, and money. The money collected from this march was sent to projects that have been set up to administer and conduct food classes on planning balanced diets or cultivating crops. Some of those which received aid were a program in California, Meals for Millions, a rural reconstruction project in the Philippines and a school in Uganda.

Diane is hopeful that more marches will be scheduled for the near future and she is looking forward to setting up a club in Hunter High School where she will be a sophomore. It is because of vision and dedication like Diane's that we will see a brighter tomorrow.

NEW LIFE FOR SENIOR CITIZENS

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. FASCELL. Mr. Speaker, I would like to call to the attention of our colleagues a resident of Dade County, Fla., Dr. Federico Castillo. Dr. Castillo, a brilliant scholar and diplomat in his native Cuba, entered the United States in 1962 at the age of 77. Eager to gain useful employment in his new home, Dr. Castillo enrolled in adult education courses in Miami, Fla.

Dr. Castillo, along with many other senior citizens, is not content to remain idle simply because he has passed the first vigor of youth. No better tribute could be paid Dr. Castillo than a recent article by columnist Roger Peterson which appeared in the Miami Herald. The article points out that our senior citizens comprise a large, potentially re-educated work force that should not go unrecognized.

The article follows:

CUBAN SCHOLAR AND DIPLOMAT STARTS A NEW LIFE AT AGE 77

(By Robert Peterson)

Going back to school can prove intensely satisfying to older people with a scholarly turn of mind. It can also impart new knowledges and skills which may enhance employability.

Many past the blush of youth are reluctant to consider returning to halls of learning, feeling their minds aren't sufficiently active. But numerous folks well into their 60s and 70s have tried it and emerged enriched and victorious.

"I'd like to tell you about one of our most remarkable pupils," writes Dr. Keith N. Bennett, principal of the Senior High Adult Education Center in Miami, Fla. "His

name is Dr. Federico Castillo. In 1962, when he was 77 years of age, this old gentleman entered the United States from Cuba without a cent in his pocket. Since then his frugal needs have been taken care of by Cuban Welfare, and he receives an income of \$60 a month.

"Dr. Castillo had a brilliant background. His education includes doctorates in Law and Social Sciences from the University of Havana. He had been a teacher, a practicing lawyer, and a diplomat, and at one time was president of the Society of Fine Arts in Havana. Coming to the U.S. meant that he had to start all over again.

"He was eager to qualify for a job," continued Dr. Bennett, "and immediately enrolled for adult education classes. He has attended school continually the past eight years and has received two certificates in Techniques of 'Teaching Spanish to English-speaking Students'; a certificate in 'Teaching Spanish,' and certificates in first year bookkeeping and accounting and filing, payroll taxes and conversational English.

"At present he is studying second year bookkeeping and accounting at our center, and firmly believes that when he receives his certificate for this course he will be able to obtain a bookkeeping position.

"His faith seems boundless and all of us who know him are deeply inspired by his optimism and determination to improve himself and make himself employable."

Thanks for writing, Dr. Bennett. A book should be written about Dr. Castillo's saga—his notable career in Cuba and his splendid efforts to launch a new career in the U.S. late in life. He deserves national recognition for his magnificent determination despite his years to acquire new skills to enhance his employability and usefulness to mankind.

LET US PUT THE PRESSURE ON THE PUSHER

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. CONYERS. Mr. Speaker, I would like to call to the attention of my colleagues a matter that threatens the viability of our communities from one end of the country to the other. I refer to the problem of drug addiction. For a number of years this had been considered an inner city problem but now that the use of drugs is accelerating in the suburbs faster than anywhere else it finally has become a problem of national concern. There can be no peace and order in a society caught in the throes of narcotics addiction as we have lately come to realize. My concern has been heightened after meeting with a number of Detroit committees of community leaders, former addicts, and a number of medical experts. Unless we marshal our forces and effectively eliminate the narcotics problem our communities will shrivel to empty shells of fear, hostility, and death.

LET US PUT THE PRESSURE ON THE PUSHER

Let's take a look at the pusher. The drug pusher sells dope to the young and old, the rich and poor, the black and white. He destroys lives.

He is destroying New York City, where half the Nation's addicts live, where their numbers increase between 7,000 and 9,000 a year. He is destroying Washington,

D.C., where 20,000 of the city's 800,000 people are addicts, and where as a direct result, crime runs rampant in the streets.

The drug pusher is destroying my community, where 25,000 Detroiters are addicts.

The drug pusher is a festering sore on any healthy community. The pusher is everyone's enemy and nobody's friend. Never has an evil united so many different groups in one cause. The pusher is repulsed by the Black Panthers, despised by religious groups, hated by the Parent-Teacher Association organizations and their members and loathed by the concerned citizen.

There are many agencies treating drug addicts in Detroit: NARCO, Lafayette Clinic, SHAR, Detroit General Hospital, Herman Keifer Hospital, Synanon, MCHRD, the model cities programs, and a score of indigenous programs. By and large they are performing in a dedicated manner under difficult and sometimes near impossible circumstances.

But even if we spent millions of dollars on treatment centers and clinics it would still fail to deal effectively with the narcotics problem.

Is it not about time we faced up to the fact that the drug crisis will continue as long as we permit organized criminal elements to bring into our community increasingly larger quantities of heroin?

To treat the drug addicts and not cut off the supply is like establishing an Alcoholic's Anonymous organization in a nightclub. Trying to cure an addict amidst a sea of narcotics is clearly unrealistic and yet that is what all too frequently we try to do. What is more, this drug traffic could not operate if it were not receiving help from some of those who are supposed to be preventing the flow of narcotics.

IF A 9-YEAR-OLD CAN FIND THE PUSHER WHY CANNOT THE LAW ENFORCEMENT AGENCIES?

Civil rights activist and humorist, Dick Gregory, has with his rapier-like wit gone to the heart of the matter by asking:

If a nine-year-old child can find the pusher why can't the law enforcement agencies?

The answer is simple. Corruption. Corruption is the method by which organized crime is able to successfully operate in the community.

The primary target of this corruption is local law enforcement agencies. With ineffective enforcement against illegal drugs, the pusher is free to roam the community selling his bags of death.

To deal with the drug menace we need efficient, progressive, and above all, honest law enforcement agencies. We need agencies that will gear their efforts not against the addict, but against what I believe is the greatest evil—the pusher and organized crime.

Only if organized crime is thwarted will we be able to eliminate the pusher. If we eliminate the pusher, half the battle will have been won.

BUT WHAT ABOUT THE OTHER HALF?

Addicts do not commit crimes because they are high on drugs. The addict commits crimes because he is hooked on

drugs. He is like a diabetic whose body needs insulin. But, unlike the diabetic, the addict is forced to commit crimes to feed the disease of addiction that grips his body.

Robbery, theft, and mugging—crimes committed by the addict—are, in effect, crimes against the community. Therefore, it is the total community which must respond to this challenge.

But can our response be effective, intelligent, and humane?

The community methadone maintenance program is an example of a humane response, a humane response because it affords the addict an opportunity to seek relief from the painful task of heroin withdrawal.

The methadone program helps the drug addict in his fight back to normalcy—but unless the rehabilitation is complete—a new job, a new environment, another chance—we run the risk of his slipping back into his old habits.

In Detroit, there are over 1,000 addicts on waiting lists for methadone treatment. Any community with a drug problem as serious as ours ought to be getting all the help it needs from every level of government. But I regret to report that this is not the case. The programs, as I have found them, are uncoordinated and minimal.

What do we really need to do to meet this crisis?

I maintain that no amount of money effectively spent is too much to cut this cancer out of our society. This cannot be accomplished overnight, but with increased understanding and cooperation we will hasten the day when drug addiction is no longer a menace.

URBAN TRANSPORTATION FOR A BETTER ENVIRONMENT—SECRETARY OF TRANSPORTATION JOHN A. VOLPE PRESENTS HIS VIEWS

HON. WILLIAM B. WIDNALL

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. WIDNALL. Mr. Speaker, I should like to take this opportunity to introduce into the RECORD a commentary on a key issue by a key man. The issue is that of urban transportation and its role in our civilization. The man is Secretary of Transportation John A. Volpe, who by his background and his present position is certainly one of the primary sources to whom we should look in our search for the solution to urban transportation problem.

On June 19, 1970, I attended a conference held by the Institute for Rapid Transit in New York City, at which Secretary Volpe gave the following presentation. I was most impressed with his grasp of the situation and the informative manner in which he expressed his views to the conference members. For that reason, I commend this transcript of his remarks to the attention of my colleagues:

REMARKS PREPARED FOR DELIVERY BY SECRETARY OF TRANSPORTATION JOHN A. VOLPE BEFORE THE INSTITUTE OF RAPID TRANSIT, AT THE WALDORF ASTORIA, NEW YORK, N.Y., FRIDAY, JUNE 19, 1970

Your theme of "Urban Transportation for a Better Environment" is an idea whose time has come. Jackson may have been the first American President to ride a train, but you can bet your last commutation ticket that Richard Nixon is not going to be the last. This Administration is committed to rail transportation—and I mean urban rail as well as rail "roads"—as essential to balanced transportation for this country.

My enthusiasm for rails today is based upon a hard-headed appraisal of the potential of rail technology.

We know how to make dramatic changes in the quality and dependability of public transportation in our congested cities.

People are starting to realize that our cities can be made both green and prosperous if we design the right access to them. They are beginning to recognize that mass transit can not only determine the prosperity of the commercial core, but can shape the growth of entire urban regions as well.

Just look at the plain facts of the matter. We know that the automobile carries only about one and a-half people on the average trip. 34 cars, with 34 internal combustion engines, carry roughly 50 people in and out of the city. Yet one bus, with only one internal combustion engine, can carry those same 50 people and the new buses we are providing grants for these days all must have anti-pollution devices installed. And, of course, one bus takes up a lot less space than 34 cars.

On the rail transit side, it's a well-known fact that the efficiency ratio between rail and expressway is about 20 to one. Transit uses only one-fourth the land, yet can move 5 times as many people. And costs far less to build, as well!

Public transportation—whether bus, rail, a hybrid, or what have you—conserves green space, makes less noise, and generates far less pollution.

Yes, public transportation is—and can be—a major environmental asset.

And beyond this, public transportation lends itself without question to the application of new space-age spinoff technology. Some of our newest concepts used to be looked upon as science fiction. Well, that day has passed. As I am sure you are well aware, we are applying these new concepts to provide a new kind of mobility for the traveling American.

Take the TACV, the Tracked Air-Cushion Vehicle for instance. We are convinced that in certain special applications the TACV will vastly upgrade our mobility.

We announced just two weeks ago, our intention to build a 16-mile Tracked Air-Cushion system to serve Los Angeles International Airport. I predict the TACV will carry exceptionally heavy, continuous traffic.

It will reach speeds of 150 miles-per-hour. It will be fast, safe, clean, comfortable, and above all convenient. It will cut into the aggravating traffic jams. In my opinion, the Los Angeles TACV will be the greatest breakthrough in the history of world railroading.

And it is just the beginning. We expect to test a 3-hundred mile-per-hour advanced version of the air-cushion train at our new test facility at Pueblo, Colorado within 3 years. Think what this will mean to commuters of the future in speed alone.

Obviously, however, our downtown core areas have start-and-stop needs that require a different, more flexible kind of service; service which is safe, clean, comfortable, fast,—and if it's to succeed, even stylish—but which above all is reliable.

Yes, the essence of public transportation

today must be an emphasis on innovation and balance. No transportation mode can be a means unto itself. As I said when I testified before the House Banking and Currency Committee in March on our transit bill, public transportation is an essential means of getting access to jobs, to recreation areas, to shopping facilities, and to a host of other personal endeavors. It is a powerful factor in shaping the quality of urban life.

If urban America is congested and polluted, if there is unrest, if we are unable to deliver a better life to more Americans, one of the prime reasons is that we have not invested enough in rapid transit, bus and subway systems. Every day, literally millions of citizens—and that may include a good many people right in this room—have to ride to and from their work in transit cars and buses that should have been scrapped long ago.

The truth is we got a very late start. Only since 1961 have we had any kind of Federal program in public transportation. Only since 1964 have we had authority to make capital grants for new systems, stations and equipment. Only since 1967 has a Federal Department of Transportation been organized to bring all modes of transportation together.

However, in the last 18 months we have provided seed money for a number of important demonstration projects and helped existing systems retain public confidence during the interim period until broad-based Federal assistance came on line.

For example, we have financed about 1-hundred-million dollars of the new Bay Area Rapid Transit system in San Francisco that will use cars of a completely new design. In March we granted 21-million dollars to the Southeastern Pennsylvania Transportation Authority (SEPTA) with 7-million dollars to follow for the purchase of 144 commuter cars for the Philadelphia region. We have financed extensions to the M-B-T-A in Boston, four new miles for airport rapid transit in Cleveland, helped open 15 miles of rapid transit in Chicago, gave 10.2 million dollars to buy 45 more "Jersey Arrow" self-propelled electric cars for the New Jersey Department of Transportation for use on commuter lines.

And just today I announced a grant of over 20-million dollars to New York Metropolitan Transit Authority. This grant will be used to assist in the purchase of 60 pairs of those 100-mile-an-hour "Metropolitan" electric passenger cars for the Long Island rail road.

This is the first step toward full approval of the M-T-A's application for a grant of 56-million dollars to buy a total of 350 cars.

Conventional rail service, of course, is not the sole answer to urban needs. Just eight days ago, for example, Senator Scott and I announced an 8.7 million dollar matching grant to help design and construct a unique "Terl" (Transit Expressway Revenue Line) system for Pittsburgh. The project will ultimately cost close to 230-million dollars and will meld modern buses moving on exclusive bus lanes with a system of automated, rubber-tired, electric-powered vehicles operating on elevated but unobtrusive concrete guideways.

Even more important than the new technology to be introduced is the concept of the multimodal planning and coordinating of passenger services.

It is incumbent upon the transit industry—in all cases—to think of more than just the transportation of people from point "A" to point "B". You must—and Pittsburgh is a good example—think in terms of airport access, fringe parking lots, feeder systems, and circulatory systems in the central business district.

I think too we can get a great deal more mileage out of some of our existing systems, particularly the subways. The older lines—in far too many cases—do not meet modern standards of comfort, cleanliness,

noise control, and reliability. Well, we're ready to take on that task too.

I am delighted to announce here the final approval of a grant that may well initiate a new phase in the history of the Institute for Rapid Transit as a trade organization.

It is a grant that will enable the I-R-T to respond to the new awareness of environmental challenges. It is a grant that will enable you, as a trade organization, to develop new environmental standards for modern, efficient subways. This is a sizeable grant: It amounts to \$1,385,000.

I think the foregoing remarks show our direction at the Department of Transportation these last 16 months. Mass transit ranks high on our priority list, as all of you well know. We have de-emphasized those perennial studies and analyses of so-called "ideal" systems and instead we are trying to develop realistic programs to help the cities right now—today—not ten or fifteen years from now when the problems may be insoluble. We must shorten the delivery time of transit improvements to the riding public.

However, there can't be any transportation improvements across the board in American cities unless our Public Transportation Assistance bill passes the Congress. Just since last August, when President Nixon submitted the bill, another 23 transit companies have folded up, bringing the total in recent years to 258. And more will follow unless we act swiftly!

This one piece of legislation would alleviate traffic congestion and air pollution, boost property values, promote business activity, stop community decay, and assure access to jobs, schools, medical care, and recreation for the millions—the 25-percent—who are too aged, too handicapped, or too poor to drive their own cars. It will open up a real choice for millions or drivers who would like to escape the traffic tangle.

The bill enjoys very broad appeal, as shown when the Senate passed it by a crushing majority of 84 to 4 last February. Few of us would have expected that kind of commitment a year ago. The bill is now in the House hearings have been held by the Banking and Currency Committee, and I have every expectation that they will report the bill out shortly.

With your maximum support the House could act favorably by the end of the summer.

Without your support, the bill is doomed. So I say frankly that if you want this historic act to see the light of day—and I know you do—you will flock to tell your representatives in Congress the stark truth that your cities—and their cities—cannot survive without it. Tell them that every month of delay raises the cost of construction and impedes the task of recovering vital mobility in the hearts of our troubled cities.

Now I want to say a word about local matching shares. I am concerned over the failure of several cities to vote the necessary bonds for the one-third local share required by our two-thirds Federal matching grants. It appears to me that local public officials, transit equipment manufacturers, and local planning bodies, need to do a much better job in getting their cities, counties, and special districts to vote the money for their share of the cost.

The taxpayer can be persuaded. New York state was successful in voting a billion dollars for public transportation improvements in 1967.

And all of the constituent counties and local governments in Metropolitan Washington have voted "yes" for their share of the cost of the Washington Metro. The state of New Jersey has voted some 640-million dollars for transportation improvements. You can hardly expect Congress to fork over the Federal share of the financing if a city can't pay its own share of the tab.

The record on local transit bond issues is not a good one and deserves your most seri-

ous attention. Vital bond referenda have failed in Seattle, Kansas City, Los Angeles, and Atlanta. Your leadership is essential to persuade the public of the enormous private and public advantages of modern transit service.

I have confidence that you will supply this leadership. It is certainly vital if we are ever to create better urban surroundings based on balanced transportation systems. We must re-assure the public that we see the big picture.

Since we serve no special interest except the public interest, we should seek always to integrate all transport modes into effective multimodal systems for moving people and goods.

Indeed, the systems approach is our only hope if we are to double the carrying capacity of our transportation system in the next 20 years. We must fully exploit the potential of each of the modes, and make sure that each one contributes to its community.

Mass transit, I believe, is the misplaced key to urban progress, the royal road to a better life for all.

The success of our fabulous interstate highway system shows that we have the national patience, skill and daring to make long-range transportation investments.

And we have done the same for aviation. President Nixon recently signed into law a 10-billion dollar package that will vastly upgrade our nation's vital airways and airports system.

Such actions should give us confidence that we can invest with equal foresight in public transportation. And public transportation deserves no less.

With your help, we expect the year 1970 to be a great turning point in national transportation priorities.

And with national transportation priorities in proper order, we will then have marked what historians may call a major turning point in our concern for civilization.

We have the capacity to ruin our world—and we have the capacity to enrich it. Enrichment—in the most ethical sense of the word—can come if our cities and their transportation facilities reflect balance, harmony, and common sense.

With the continued concern of dedicated organizations such as the Institute for Rapid Transit, that goal can surely be met.

ALABAMA OWES MUCH TO DR. SIDNEY TARWATER

HON. WALTER FLOWERS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. FLOWERS. Mr. Speaker, it is with special pride that I call to the attention of my colleagues and others the distinguished career of one of Alabama's truly great citizens, Dr. J. Sidney Tarwater of Tuscaloosa.

Dr. Tarwater is retiring after almost a half century of service to his fellow man in the field of mental health.

In tribute to him, I am pleased to offer for inclusion in the RECORD, an editorial and article both of which appeared in the Tuscaloosa News on July 19, 1970. They eloquently describe this remarkable man and truly reflect the admiration, appreciation and esteem of his fellow Alabamians:

STATE OWES MUCH TO DR. TARWATER

Long service is a hallmark of men who have headed the state's mental institutions.

Dr. J. S. Tarwater, who is retiring as superintendent of the state hospitals, has devoted all of his adult life to care and treatment of the mentally ill.

In this work he has made significant contributions to the state. And in his long association with Bryce Hospital and Tuscaloosa he has demonstrated outstanding ability as an administrator and a concerned citizen.

Dr. Tarwater's decision to stay in Tuscaloosa rather than move to Montgomery when the Mental Health Department headquarters was established there is further evidence of his dedication and deep loyalty to this community. Tuscaloosa is fortunate that he has chosen to retain residence here.

As he leaves his position at Bryce Hospital, his statement "we did what we could with what we had" is an appraisal of the state's approach to mental health problems during the last half century. During this time the struggle to provide care and treatment for the mentally ill has been severely handicapped by insufficient funds.

Much more could have been accomplished in the field of mental health. The money problem was a constant handicap. It is a tribute to Dr. Tarwater and his associates that so much was done with so little.

A person less dedicated to the plight of the mentally ill would long since have left the state hospitals. But Dr. Tarwater's great concern for his patients, his deep interest in improving mental health and his desire to serve this state kept him engaged to do the best possible job.

Alabama owes a debt of gratitude to him for his service. Those who attended the testimonial dinner for him Thursday night expressed appreciation for his service, his loyalty.

For Dr. and Mrs. Tarwater, the hope is that the years ahead will provide them with time for activities they can enjoy in an atmosphere free of the pressures and frustrations of a demanding job.

Having devoted all of their adult life to the affairs of the state hospitals, they richly deserve the time ahead they can call their own.

RECOLLECTIONS OF AN INTERVIEW

(By Paul Davis, News Associate Editor)

I walked slowly up that long flight of iron-capped stairs. On the second floor, somewhere, I was to keep an appointment with a man I didn't know and at the moment I really didn't care to meet.

I was in the main building at Bryce Hospital and my appointment was with Dr. J. S. Tarwater—a real, live psychiatrist. I had lived in Tuscaloosa most of my life, but like the majority of Tuscaloosians I had never even been inside the gates of Bryce. Now I was inside the building and there was a lonely feeling in my bones.

This visit was some 10 years ago and having just logged a 20th birthday, I felt somewhat incapable of the task before me. But my newspaper boss had said the mental hospitals would be a part of my beat and to get things started off right I was to interview the state's top mental health official, Dr. Tarwater.

Like most young reporters, I had spent hours the night and day before trying to frame some questions which would make the interview worthwhile and hopefully questions which would partially cover my ignorance.

I had wondered, too, if the good psychiatrist would be able to watch me and discover my secret fears, and learn that I really didn't know what I was talking about. Would he know that I had read all the clippings I could find about the hospital, and looked through the World Book to know some of the good names to drop.

Surely if he were the great man I had heard so much about, he would quickly figure me out. In fact, he might even be offended that The News had sent a boy out to take up his valuable time.

All these thoughts flashed through my mind as I slowly climbed those 20 or so steps. I hoped he would not be in, or that he would be with a patient and have to ask me to sit and wait—at least for a week or two.

At the top of the stairs, there was a beautiful, old clock on the wall, a spacious hall with a floor that had been polished like glass, a water fountain and a receptionist who showed me the way.

And there, sitting behind a massive desk in the dimly lit room was the man, not a monster, just a man. The room was large, paneled in dark, rich wood. The blinds were closed tightly and an air-conditioner hummed in the window. The desk was in perfect order, complete with a silver ashtray.

Dotting the walls were pictures of the great men of psychiatry like Sigmund Freud. I didn't know Sigmund, either. In about two minutes, my case of nerves vanished. The good doctor seemed to know that I needed help and it was provided, abundantly.

And down through the years he continued to provide help, good advice, and on most occasions he showed a bit of humor that only those who knew him best ever see. J. S. Tarwater has been a giant in mental health in Alabama. His depression—the financial variety—lasted too many years. He had the responsibility of building a state hospital system when the philosophy in Alabama was that the mentally ill are to be put away—not to be seen or heard.

There has never been enough money to operate the hospitals he supervised. Yet, somehow, the institutions kept their doors open, a tribute to the man who now steps down as head of Alabama's mental hospitals.

Those who know him best will not soon forget the warmth, compassion, and faith of Sidney Tarwater. He gave Alabama's mentally ill and retarded citizens 46 years of his life.

FISCAL RESPONSIBILITY IN THE WHITE HOUSE

HON. JOHN ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. ROUSSELOT. Mr. Speaker, it has been my good fortune to know Casper W. (Cap) Weinberger, a fellow Californian, for several years. From time to time, several of my fellow California Republicans have labeled Cap Weinberger a liberal Republican who really did not belong in their party. Though I have not always found myself in agreement with the former director of finance of the State of California and one-time chairman of the "Little Hoover Commission," I must state that Mr. Weinberger's recent remarks on radio and television provide, I believe, some insight as to the type of philosophical and technical direction that we might expect from Mr. Weinberger in his newly attained position within the framework of the Nixon administration.

Last January Mr. Weinberger was appointed by the President as Chairman of the Federal Trade Commission. Then just recently the President brought him over to the White House as Deputy Director of the new Office of Management and Budget, primarily because he needed a man who would take a hard-nosed look at the budget and at spending proposals.

On July 5, 1970, Mr. Weinberger appeared on "Meet the Press." Unfortu-

nately, his appearance did not receive the type of coverage by the news media I feel it deserved.

I say unfortunately because I am certain that Mr. Weinberger's views, as expressed on "Meet the Press" would have been of great comfort to all those Americans who believe in fiscal responsibility and enforcement of the law and who do not believe that just spending money is the answer to all our problems.

I would like to quote some excerpts from Mr. Weinberger's answers on that NBC program:

Mr. WEINBERGER: There is a great American belief that I think is largely a fallacy, that the more money you have put into a government program the better it will be operated. I think this is true sometimes within very severe limits, but I don't think there is any automatic correlation between more money and better performance.

I think you need vigorous enforcement of the laws we have. I think you need uniform and certain enforcement so you don't have one rule for one or another rule for another.

It does seem to be very necessary that we keep our budget in balance or as close to it as possible. I know this is the puritan ethic in economics, but it is one to which I am quite dedicated, and I think that any actions that are taken knowingly that tend to throw the budget out of balance are bad for the economy in the long run.

In response to a question which clearly wanted Mr. Weinberger to approve pre-censorship of advertising, he replied:

I would prefer to reach the point that you and I both want to reach, I am sure, of honest advertising by some kind of voluntary acceptance of the fact that dishonest advertising is the worst business in the world.

Here is more:

The idea that you turn immediately to government and the federal government first of all for the solution of all of our problems is basically a false idea arousing false hopes.

Federal expenditures have to be accompanied by the most careful review of the result of that spending to make sure we are accomplishing something, and I believe that we have not accomplished anything near what could be done simply by the infusion of more federal funds.

The federal government hasn't any higher unit of government to turn to for more money and, as a result, we have to be more sure, I think, than anyone else that the people who are suggesting that the solution to all problems is more money, really have some worthwhile proposals to justify the amounts that they request.

I think there is plenty of proof that what has been given (to cities) hasn't been used wisely enough.

Mr. Speaker, I believe it would be difficult for any reasonable man to find fault with Cap Weinberger's views. The President is to be complimented for his choice of Mr. Weinberger for such a high post.

WOMEN IN COMMUNICATIONS

HON. ORVAL HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. HANSEN of Idaho. Mr. Speaker the free press is the anchor upon which many

of our other freedoms are based. I want to salute the National Federation of Press Women for its objectives of promoting the highest ideals in communications, the exchange of the ideas and experiences of women in the field of communications and the coordination of efforts on matters of national interest to women.

Recently the 34th annual convention of the National Federation of Press Women was held in New Orleans with an outstanding array of speakers and panelists. Included was one of our colleagues, U.S. Representative EDWIN EDWARDS of Louisiana, who urged the women to present both sides of the communicated story fairly and honestly.

Other speakers included George Stone, vice president and public relations director for J. C. Penney Co., who told of the origin of the annual J. C. Penney-University of Missouri journalism awards. He cited the value of women's pages to the consumer. Others were Liz Carpenter, former press secretary to Mrs. Lyndon B. Johnson; Harnett T. Kane of New Orleans; Mrs. Hodding T. Carter, author and wife of the Pulitzer Prize winning publisher; Turner Catledge, former executive editor of the New York Times; Mary Alice Fontenot; and a number of outstanding speaker panelists.

Astronaut John L. Swigert Jr. of Apollo 13 praised the communications field for complete coverage of the space flights. Lt. Gov. Charles Sullivan of Mississippi told of the disastrous trials of Hurricane Camille and of present problems in the State.

The principal addresses given at the annual awards banquet were by Mr. Al Neuharth, president of Gannett Newspapers of Rochester, N.Y., and Mrs. Charlotte Schexnayder of Damas, Ark., who received the federation's woman of achievement award.

Mrs. Schexnayder's story of the efforts she and her husband made in publishing a country newspaper stands as a model for the strength of America's smaller newspapers. I know from personal acquaintance with most of the publishers of weekly newspapers in Idaho that such workers in communications are fine and delightful people who often work under extreme handicaps to do a wonderful job. Mrs. Schexnayder's comments are excerpted from the complete text of her talk, Being a Country Editor:

With your forbearance, I'd like to tell you what being a country editor means to me.

With just \$4,000 capital and a new son, four months old, in 1954, my husband and I bought the weekly Dumas Clarion. Weekly might have been spelled w-e-a-k. It had just 300 paid circulation and was four pages of six columns, two pages of which were frequently the old boiler plate or canned copy. We inherited a hand-fed 50-year-old press, a folder that folded only when it felt like it, and a new, but cranky, linotype.

It was a struggle then as it is now for we have recently purchased a \$50,000 offset press and all of the machinery needed to make that conversion.

But nowhere along the way has it been dull.

Many other adjectives might have been used to describe my 25 years in the weekly newspaper business. A fellow Arkansan, Richard Portis, who wrote a best seller, aptly

described weekly newspapering in the two words of his book's title, "TRUE GRIT".

These years have been challenging and exciting. To stay abreast of the technological changes and keep up with the improvements in the Fourth Estate have required continued foresight and initiative. We now have computerized typesetting operations, and the changes are coming so fast that today's techniques become obsolete tomorrow.

This quarter century has been rewarding. Many are the things which have warmed my heart. . . incidents like the 70-year-old man who walked a mile to town to bring me a wilted bouquet in thanks for an editorial I wrote. There is the town library for which I planned the furnishings with the money our scrapbook won in a town contest.

There are the editorials which have moved state officials to call me and make 30-minute telephone rebuttals . . . so that I know I have touched an Achilles heel. There are the stories and follow-up editorials which have opened up secret meetings of the City Council, called for a better school system and constantly hammered at the need for industrial development. To have seen the town's industrial jobs grow from 100 to the present 1000 and to have seen the town's population almost double when all of our immediate area was losing people is to feel that it is a privilege to have been a part of that change.

To have readers come into my office and bring their complex problems for discussion is heartwarming, although I am not likely to be able to solve those problems.

I am reminded of the country correspondent who had great faith in my ability to dress up the facts. She wrote:

"Dear Mrs. Schexnayder, will you please fix up this wedding write-up to sound as well as possible? If you ask me, it was a mess."

Then followed her story: "Mary Smith and Huey Jones were married in the local Baptist Church on Sunday evening which was decorated with red dahlias. Mary came down the aisle of the church with the best man, and poor old Huey came out of the Sunday School room all alone."

Bless these loyal country correspondents who have brightened my days with such gems as:

"Mrs. Jones was called to Chicago to the bedside of her son who was slugged by unknown parties."

When the correspondents fail to brighten my day, sometimes the typos haunt it.

Some wag years ago figured that there were at least two million chances for error in the average weekly newspaper. Multiplied by the 25 years that I have been a country editor, my chances for error have been in figures akin to the national debt.

Some of the boo-boos still haunt me. Once I had to leave the office when the society page went to press, so I let the shop foreman check it over. Some lines were omitted from a wedding, and no one was more chagrined than I to pick up the paper later and read that "the bride was attired in a string of pearls, a gift of the groom." Another time a D was changed to L, and a story read: "The social hour was held in the Fellowship Hall."

There have been many lighter moments along the way.

The greatest part of my profession lies in the intangibles. Just to be a part of a community and record its heartbeat, to jibe enough to challenge it to change for the better, to stand up for tolerance when it is unpopular are the parts of my life on which I could hang no price tag.

These years have been frustrating and frightening to. I have stood before an irate reader who had a pistol in his pocket and venom in his heart. For my editorials during the Little Rock school crisis, physical violence was threatened to my husband. In that

warped person's mind, it was ungentlemanly to threaten a lady. Recently, in the effort to build a new high school by voting a bond issue, my husband and I found ourselves temporarily alone before foes who sought economic reprisal. We never compromised our reasoning that a new high school plant must come, and although we lost the school bond issue as was the case in many places of the nation this year, many of the people of the community did follow the fight for a new school. To feel that one is following the right course and standing for one's conviction is gratifying.

A country editor is a durable lot, as I now attest, and the satisfactions have far exceeded the hard times and the pettiness of some people.

To be able to report the truth is a special charge in these times, and it is an almost sacred one. Much of the nation's course depends upon how well informed are its people. Perhaps not since the days of the American Revolution and the Civil War has the press been so challenged as we are today.

To be able to hear both sides of a controversy and report them fairly and truthfully require professional skill, great stamina and dedication. To avoid being swayed by the crowd demands wisdom and determination. This is as much so in a small town as it is in a great city.

The weekly newspaper is often ridiculed, but during the past score of years, most of the weekly press has changed greatly for the better. We who operate these plants and edit these newspapers are a fiercely independent breed. We cannot be intimidated. The weak can't last as a weekly newspaper where the editor in a sense is face to face with his readers. There is no room for phonies, either, for a small town quickly assesses sincerity and integrity.

I am proud to have been a country editor for 25 years because I think the independence of the country press mirrors the strength of America. Knowing full well that thousands are laboring daily with the same goals as I have—to report the truth and build communities—I salute all of them and share this honor with them.

I am grateful for this honor, just as I am for the quarter century that God has given me in the role as a country editor.

Thank you for an award that I shall always cherish.

EXCERPTS FROM CONGRESSMAN EDWARD'S COMMENTARY—REPORT BOTH SIDES

There are many ways to communicate and I salute the Members of the National Association of Press Women as one of the last bastions of loyal, patriotic Americans. I know you try to report both sides—and let your readers make their own decisions.

We have just passed the turbulent Sixties and are now entering the unrestful Seventies. It is time for the silent majority to become the eloquent majority. You should point out that only 2% of the American students are involved in the violence reported so widely in our country today.

As one who came from a sharecropper's farm to the halls of Congress, I object to those who seek to tear this country apart and rebuild it without a blueprint. I object because anyone has the privilege and opportunity to do as I have done. So, I urge you as responsible members of the communications field to report not what seems to be happening, but what is actually and factually happening.

Excerpts from the text of Mr. Neuharth's talk follows—

PRESS AND OUR SOCIETY

Whether you are members of the National Federation of Press Women, members of Sigma Delta Chi, Theta Sigs, or just plain Women's Libs, I'd like to talk with you wom-

en tonight about yourselves and your relationship to the profession of journalism and to our society.

I'd like to tell you where I think you are today, in this so-called man's world; how you got there; what you are doing about it; and what I think you should be doing.

First, a comment with which most of you will agree:

It is still pretty much a man's world. Specifically, in our profession, the press is over-manned, especially at the top. Far too many publishers, editors, managing editors, city editors, magazine editors, broadcast station managers, are men.

As a result, most of our news and editorial products are still designed primarily by men, even though they are aimed primarily at women.

That's bad. Bad for you. Bad for our profession. Bad for our society.

Secondly, a comment with which many, or most, of you may not agree:

I believe the fact that this is still so much a man's world is mostly your own fault. This man's world, our own over-manned profession, is ready for you. Too many of you are not ready yourselves.

Let me explain what I mean.

Women today generally fall into three classes:

First, those who are the moderate feminists—or humanists—who want to be a part of this society on an equal basis with men. They want "in."

Second, those radical extremists of the Women's Liberation Movement who are so outraged by society's abuse of women that they seek to escape from womanhood or from society. They want "out."

Third, that great number of women who use their femininity as an excuse for lack of professional success, rather than the advantage which it is. They don't really care.

That third category isn't worth much of our time or attention tonight, but because so many women are in that group, let me give you an example of what I mean.

The women who don't care about reaching the top in business or a profession like to put down other women who have done so and generally draw a wrong conclusion.

I know of no top women in journalism today who got there by sleeping with opportunity. I know of many, many who have failed to get there because they slept through opportunities.

So much for the "don't care" category of women. Let's look at Category 2, the Women's Lib extremists.

They deserve attention, and concern and help. Because what they are saying about society's abuse of women is mostly right; the way in which they are saying it and what they are trying to do about it, is mostly wrong.

These are the women who do judo and hate all men. They view the kitchens as a ghetto. They are so outraged at the historical economic exploitation of women that they not only feel women should be treated equally, but that men and women must be treated totally alike.

We are not alike, of course, and never shall be. We are biologically different. We have different glands and thank the Lord for it. Otherwise there would not only be no men or women, but no human race.

So, the Women's Lib extremists are terribly wrong in their anti-men and anti-marriage ideas. They also are wrong in allowing their voices to be even higher than their aims.

Mostly, they are wrong about men. They are wrong in presuming that man is woman's natural enemy. They are wrong in wanting to escape from society, and from womanhood itself.

Unless they raise their aims and lower their voices, these extremists may actually block the very social changes which they seek.

Well, those are the women who want out, and the women who don't care. Let's turn to those women who, like many—or hopefully most—of you, want "in." You are the ones who can fan those great winds of social change which are ready to sweep across this over-manned world.

The modern, moderate feminists, or humanists, whose aim is as high as their voices, are the key to whether women can really be equals to men in this society. And it is the women in our profession of journalism who have the greatest opportunity to help bring about that social change.

Many of you are working at it. Most of you can do much more.

Because I believe women journalists are the key to this movement, I've visited in recent weeks with a number of women who have moved toward the top—or to the top—in our profession. Let me share with you some of their thoughts:

First, a couple of women writers whose by-lines command as much national attention as those of most men.

Ann Landers has achieved fame and fortune writing about people and their problems. Her following is as great among men readers as among women. Her formula? Work!

"I've worked like a dog for 15 years. Seven columns a week, 365 days a year. But I love what I'm doing or I wouldn't be doing it." And, Eppie adds, "no girl ever had better support or more help from the men in our business—a great editor, a generous publisher, wonderful newspaper buddies who passed the word."

Gloria Steinam, one of the really bright new names, brains and personalities, is doing it differently, working outside the structure, freelancing.

She has her unhappy memories of men editors who would give her only assignments "on textured stockings and movie stars." But she stayed with it and now earns a good living and has developed a strong following by writing about such things as politics and other "unfeminine" subjects.

Gloria's advice: "While we're fighting for equal jobs and equal pay, we have to do a little consciousness-changing in ourselves too. Ground down by all the years of conforming to male standards, we need to put some starch in our spines."

Kay Graham, president of the Washington Post Company is a woman who readily acknowledges that she got to the top by accident—her father's newspaper ownership and her husband's death. But she's doing something with it and the Post is one of the country's most progressive newspapers in treatment of women in the newsroom and in the news columns.

Kay says: "The fact is attitudes have to change on both sides. There is great prejudice on the part of the men toward women—possibly less in editorial than in business parts of publishing.

"Women have accepted all this much too long. They have accepted the image of themselves as mentally and physically inferior. Only recently and generationally have they realized that there are no limits to what they can do if they don't accept any limits."

From the publisher's office to the composing room, here's a woman who really took down the "for men only" sign to get her job. She's Mrs. Sue Brown, composing room superintendent—that's right—at the Aiken (S.C.) Standard.

Sue says: "If there is any secret to moving up—whether you are a man or a woman—it is to apply yourself and your abilities." And, she adds, "I often find it easier to supervise men in my department than women."

To illustrate that we at Gannett Newspapers try to practice what I'm preaching, let

me tell you about the city editor of our Yonkers (N.Y.) Herald Statesman, Eileen Campion.

Yonkers has a reputation as a man's town—race tracks, mafia manipulations. Eileen's woman's touch handles the most difficult situations on the city desk.

"I haven't had a hint of resentment from men reporters," she says. "The biggest problem was breaking tradition in my own thinking."

On our Plainsfield (N.J.) Courier-News, Rosemary Bachelor, recently named assistant city editor, puts it this way:

"Sometimes we women are our own worst enemies when it comes to getting better jobs. When we start thinking 'nothing I ever do will be good enough because I'm a woman' we are licked. Then we're reacting like a woman, in the old accepted sense. We need to react like a person."

Outside our profession, I heard the whole problem put in perspective just last week by Mary I. Bunting, president of Radcliffe College.

Mrs. Bunting told a group of us that Women's Liberation is 90 years old at Radcliffe, as old as the college itself. She sees the current movement in this light:

"Many women are over-educated for the jobs they are holding, but not fully prepared, psychologically or otherwise, for the really top jobs," Mrs. Bunting says.

Here is another way of putting it. Some months ago, I heard the Rev. Dr. Louis H. Evans Jr. of La Jolla, Calif., deliver a sermon at the White House for President Nixon and guests. His theme: "The Identity Crisis: Who Are You?"

Dr. Evans urged each of us "to paint our own portraits of ourselves, establish our own identity, select our own goals, instead of living by a picture others paint for us, or aspiring just to goals others select for us."

Pretty good advice.

Ann Landers says work.

Gloria Steinam says put some starch in your spines.

Kay Graham says you have accepted all this much too long.

Sue Brown says apply yourself.

Eileen Campion says break tradition.

Rosemary Bachelor says react like a person.

Mary Bunting says prepare yourself.

The Reverend Evans says establish your own identity.

I say, if you do these things, not only will you benefit, but so will our over-manned profession and our entire society.

I. L. KENEN

HON. JAMES G. FULTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. FULTON of Pennsylvania. Mr. Speaker, it is a pleasure to place in the CONGRESSIONAL RECORD the excellent appendix to the statement of I. L. Kenen on the situation in the Near East before the Subcommittee on Near East of the House Foreign Affairs Committee on Wednesday, July 22, 1970.

"Si" Kenen's work over the years with the American Israel Public Affairs Committee and the Israeli delegation to the United Nations has made him one of the outstanding experts on the past, present, and future of the Near and Mid-

die East. We Members of Congress, as well as the American people, are fortunate to have the benefit of "Si" Kenen's long experience and knowledge on matters concerning the Near East.

The appendix follows:

APPENDIX TO STATEMENT BY I. L. KENEN

In this Appendix there is a discussion of major issues since 1947: the partition fight at the United Nations; boundaries; the arms race; guarantees and commitments; the armistice agreements; the Suez Canal; the role of the United Nations; the Arab refugees.

In 1947, a Special Committee of the United Nations, consisting of the Middle Powers—none of the Great Powers served on that Committee—went to Palestine; it found that Arabs and Jews were both claiming the entire country. It recommended partition of Palestine, offering self-determination and separate states to both the Jews and the Arabs of Palestine. The Arabs rejected the recommendation; the Jews reluctantly agreed to it, although it did not seem to them to be responsive to their historical rights.

Prior to this time, President Truman had endorsed the concept of partition, but when the British brought the issue of Palestine to the United Nations our Government was slow to endorse the recommendation, largely because of the hostility of officials of our Departments of State and Defense and because of the lobbying activities of special interests.

However, the United States finally did vote for partition and the majority of the General Assembly endorsed the plan.

The partition proposal provided for implementation by a special Palestine commission. It also provided that obstruction of implementation would be a breach of the peace which would enable the Security Council to take appropriate action.

The official record confirms that the Arab states resisted implementation. The partition commission never went to Palestine. The UN Security Council failed to act. And the United States, instead of insisting on implementation, offered a plan to delay the partition proposal and to substitute a UN trusteeship.

The U.S. proposal, however, was hopelessly irrelevant because by this time the country was being automatically partitioned into Jewish and Arab areas, as the British withdrew their forces and gave up the Mandate.

On May 14, 1948, the Jewish state came into being in response to the resolution. The Arab states went to war to destroy the new state and to seize and divide Arab areas for themselves.

President Truman recognized Israel within a few minutes after she was established, much to the bewilderment of our Department of State.

But late in 1948, the Department of State endorsed a new proposal brought forward by the UN mediator which would have reduced Israel to a minuscule state by amputating the Negev and other areas. The Department went so far as to threaten sanctions against Israel at that time.

In 1949, the United States again brought pressure on Israel to make territorial concessions to the Arabs, threatening to reconsider its relations with Israel.

In 1956, the Arab-Israel war broke out again and the Israelis advanced to new positions which made their country more defensible. The United States then joined with the Soviet Union in forcing Israel to withdraw to the 1949 armistice lines without requiring the Arab states to renounce bel-

ligerence and to enter into peace treaties with Israel. The decision turned out to be a blunder.

MILITARY ASSISTANCE

There was a strange reticence on the part of our Government to approve Israel's requests for military assistance.

On December 5, 1947, six days after adoption of the UN partition resolution, the Department of State imposed an arms embargo in the Near East. Our Government was not willing to use its authority to prevent a war and to implement the partition resolution. Going further, it was not ready to let Israel have the weapons she needed to defend the new state.

In 1952, Israel asked to be allowed to purchase weapons in this country but the United States refused.

In 1953, the Department of State proposed to provide arms to Iraq and to other Arab states. It requested an appropriation of \$100 million for military aid to the Near East. When your Committee learned that it was not intended to supply any arms to Israel, you voted to reject the Administration's proposal. Subsequently, however, Congress did approve a \$30 million appropriation and our Government began to grant arms to Iraq, while still refusing to negotiate any military agreement with Israel.

The United States was then trying to cement the Baghdad Pact to establish a Northern Tier defense line to contain the Soviet Union in the Near East. But we excluded Israel from participation, even though she was the one state committed to democracy and even though she was threatened by her neighbors. Iraq, one of the most unreliable states in the area, became a keystone of Middle East defense.

Many Americans were opposed to sending arms to Iraq. Nevertheless, our Government went ahead with it. As a result, President Nasser turned to the Soviet Union for weapons, opening up the Near East to Soviet penetration in 1955.

The Israelis appealed to the United States for arms to counter the new Soviet threat. Our Government recognized the need to maintain an arms balance in the area. But it sent Israel off to France, to Italy, to Canada and to other countries. And in an effort to win Nasser, the United States offered to help Egypt build the Aswan Dam. Our diplomats thought that this would encourage Nasser to restrict his purchases from the Russians.

But our failure to act on Israel's arms request created a vacuum which the Soviet Union then filled with arms for the Arabs.

In subsequent years, the Israelis kept coming back to the United States for weapons because the Soviet Union expanded its supplies to Egypt, Syria and Iraq. It was not until 1962 that the United States finally decided to permit Israel to purchase the anti-aircraft Hawk missile.

Later, when Israel tried to purchase tanks in this country, the Administration referred it to West Germany. And when that avenue was closed because of Egyptian blackmail, there was a secret U.S. understanding to provide tanks to Israel even as we were providing them to Jordan; it did not remain a secret very long.

The Soviet Union always set the pace in the arms race in the Near East. It was encouraged to go forward because of our reticence. It could not lose.

In 1967, after the six-day war, the Administration imposed an arms embargo which lasted 135 days. During this period, while we sat tight and did nothing, the Soviet Union rearmed Egypt, Syria and Iraq.

Those who believe we have favored Israel should take note of the fact that we have extended grant military aid to seven Arab countries totalling \$239.7 million and that we have never given arms to Israel.

[In millions of dollars]

Iraq	48.2
Jordan	56.8
Lebanon	9.3
Libya	18.1
Morocco	41.8
Sudan	1.8
Saudi Arabia	35.3
Tunisia	28.4

This does not include sales for cash and credit; the figures are not published.

In addition to \$56.8 million in military aid, Jordan has received \$566.7 million in grant economic aid—substantially more than our grant economic aid to Israel, which totaled \$369 million. And the aid figure for Jordan does not include Jordan's share of the \$455 million the United States has contributed to UNRWA.

Our country has been generous to other Mediterranean countries which have been menaced by Soviet expansionism.

Greece has had more than \$2 billion in grant military aid and more than \$1.6 billion in economic aid, most of it in grants. Turkey has had more than \$3 billion in military aid and more than \$2 billion in economic aid, half grant-half loan. And Iran has had \$870 million in grant military aid and \$431 million in military credits, as well as \$739 million in economic aid.

COMMITMENTS

The Administration always softened its rejection of Israel's arms requests by reassurance that our country would oppose aggression. There were many such commitments.

The Tripartite Declaration

On May 25, 1950, England, France and the United States issued the Tripartite Declaration, in which they sought to allay the concern of the nations of the Near East by guaranteeing stability. This commitment to oppose force or the threat of force was intended to reassure both Israel and the Arab states. Paragraph 3 stated:

"The three Governments take this opportunity of declaring their deep interest in and their desire to promote the establishment and maintenance of peace and stability in the area and their unalterable opposition to the use of force or threat of force between any of the states in that area. The three Governments, should they find that any of these states was preparing to violate frontiers or armistice lines, would, consistently with their obligations as members of the United Nations, immediately take action, both within and outside the United Nations, to prevent such violations."

President Eisenhower reaffirmed the Tripartite Declaration on Nov. 15, 1955.

The Dulles statement

Early in 1956 the United States rejected Israel's request for arms to prevent an imbalance and referred Israel to the French. Yet, at the same time it became known that the United States was supplying weapons not only to Iraq but also to Saudi Arabia. Alarmed by this seeming disregard of Israel's peril, the Senate Foreign Relations Committee opened an investigation into these shipments of arms to Israel's avowed enemies.

Appearing before that body on Feb. 24, 1956, Mr. Dulles sought to reassure his critics with this strong statement:

"The preservation of the State of Israel is what I regard as one of the essential goals of United States foreign policy."

This was followed on Apr. 9, 1956 by a White House declaration:

"The United States, in accordance with its responsibilities under the Charter of the United Nations, will observe its commitments within constitutional means to oppose any aggression in the area.

"The United States is likewise determined to support and assist any nation which

might be subjected to such aggression. The United States is confident that other nations will act similarly in the cause of peace."

The 1956 political platforms

Apprehensive of conflict, both the Republican and Democratic parties, meeting in national convention in August 1956, adopted strong platform declarations supporting American commitments to prevent an arms imbalance and to intervene against aggression.

The Republican party statement reaffirmed support for Israel:

"We regard the preservation of Israel as an important tenet of American foreign policy. We are determined that the integrity of an independent Jewish State shall be maintained. We shall support the independence of Israel against armed aggression."

Similarly, the platform of the Democratic party read as follows:

"To prevent war, to assure peace, we will faithfully carry out our country's pledge under the Tripartite Declaration of 1950. . . .

"The Democratic Party will act to redress the dangerous imbalance of arms in the area created by the shipment of Communist arms to Egypt, by selling or supplying defensive weapons to Israel, and will take such steps, including security guarantees, as may be required to deter aggression and war in the area."

In January 1957, President Eisenhower promulgated the Middle East Doctrine which formalized the U.S. commitment. Section 2 of that resolution read:

"The President is authorized to undertake, in the general area of the Middle East, military assistance programs with any nation or group of nations of that area desiring such assistance. Furthermore, the United States regards as vital to the national interest and world peace the preservation of the independence and integrity of the nations of the Middle East. To this end, if the President determines the necessity thereof, the United States is prepared to use armed forces to assist any nation or group of such nations requesting assistance against armed aggression from any country controlled by international communism: *Provided*, That such employment shall be consonant with the treaty obligations of the United States and with the Constitution of the United States."

If there ever was a country that is backed by *international communism* in a war against a neighbor—in every way, economically, militarily and diplomatically—it is Egypt. But it seems that this fact is apparent only to the Israelis. Others pretend that Egypt is independent. They argue that Communists are jailed in Egypt, which is probably also the case in the Soviet Union, and that a devout Moslem could not possibly accept Communist rule—a dogma which ignores the fact that Moslems are compelled to do so in Albania and in some areas of the Soviet Union.

There was turmoil in Jordan in 1957 and on Sept. 10, 1957 Mr. Dulles reassured Israel at a press conference. He said:

"We do not think that there is danger at the present time to Israel. . . . Israel has the benefit of the declaration which was made by President Eisenhower in April of last year, 1956, that the United States would come to the assistance of any country that was attacked."

The 1960 platforms

In 1960, the platforms of both political parties again endorsed U.S. commitments against aggression.

The Democratic platform declared:

"In the Middle East we will work for guarantees to ensure independence for all states. We will encourage direct Arab-Israel peace negotiations; the resettlement of Arab refugees in lands where there is room and

opportunity for them; an end to boycotts and blockades; the unrestricted use of the Suez Canal by all nations.

"We urge continued economic assistance to Israel and the Arab peoples to help them raise their living standards. We pledge our best efforts for peace in the Middle East by seeking to prevent an arms race while guarding against the dangers of a military imbalance resulting from Soviet arms shipments.

"Protection of the rights of American citizens to travel, to pursue lawful trade and to engage in other lawful activities abroad without distinction as to race or religion is a cardinal function of the national sovereignty."

The Republican platform declared:

"In the Middle East, we shall continue to support the integrity and independence of all the states of that area including Israel and the Arab states.

"With specific reference to Israel and the Arab nations, we urge them to undertake negotiations for a mutually acceptable settlement of the causes of tension between them.

"We pledge continued efforts to eliminate the obstacles to a lasting peace in the area, including the human problem of the Arab refugees; to seek an end to transit and trade restrictions, blockades and boycotts; to secure freedom of navigation in international waterways, the cessation of discrimination against Americans on the basis of religious beliefs, and an end to the wasteful and dangerous arms race and to the threat of an arms imbalance in the area."

On Aug. 5, 1960, the late President Kennedy—then a candidate—said that the United States should make it "crystal clear" that "we will act promptly and decisively against any nation in the Middle East which attacks its neighbor."

Later, on May 8, 1963, when it appeared that Iraq, Syria and the UAR were about to unite under Nasser's leadership, President Kennedy said:

"Obviously there are political changes in the Middle East which still do not show a precise pattern and on which we are unable to make any final judgments. The United States supports social and economic and political progress in the Middle East. We support the security of both Israel and her neighbors. We seek to limit the Near East arms race which obviously takes resources from an area already poor, and puts them into an increasing race which does not really bring any great security.

"We strongly oppose the use of force or the threat of force in the Near East, and we also seek to limit the spread of communism in the Middle East which would, of course, destroy the independence of the people. This Government has been and remains as strongly opposed to the use of force or the threat of force in the Near East. In the event of aggression or preparation for aggression, whether direct or indirect, we would support appropriate measures in the United Nations, adopt other courses of action on our own to prevent or to put a stop to such aggression, which, of course, has been the policy which the United States has followed for some time."

A joint communique, issued by President Lyndon B. Johnson and Premier Levi Eshkol of Israel in June 1964, contained these words:

"The President welcomed assurances of Israel's deep concern, which the United States shares, for peace in the area.

"He reiterated to Prime Minister Eshkol U.S. support for the territorial integrity and political independence of all countries in the Near East and emphasized the firm opposition of the United States to aggression and the use of force or the threat of force against any country in the region.

"In this connection, both leaders expressed

their concern at the diversion of vitally important resources from development to armaments."

It is also pertinent to put into this record the excellent statement which President Nixon made available to our Committee during the 1968 campaign. He said, on Apr. 22, 1968—foreshadowing his recent strong declaration on July 1, 1970:

"The Middle East today stands closer to the threshold of armed conflict than at any period since the June war. Outside of the cauldron of the Middle East itself, this new danger to regional and global peace can be traced directly to Soviet policy in the area—and indirectly to the absence of an effective American counter-policy.

"There is no question but that the Soviets were the losers in the six-day conflict itself. The belligerent Arab states to which they were allied suffered a stunning defeat; a Soviet-trained and equipped army was humiliated on the field of battle and a multi-billion dollar investment in arms and equipment had to be written off.

But if the Soviets were the losers in the six-day conflict, they are the principal beneficiaries of the uneasy post-war truce; and United States interests have suffered to the same extensive degree that Soviet interests have advanced.

"There naval manpower in the Mediterranean has been augmented five-fold since the war. Their client states have been re-armed and equipped with some of the most modern of weaponry in the Soviet inventory. Their influence has grown in the entire Arab and Near Eastern world—from Morocco to Iran—as they have stiffened the spine of the militants with encouragement and arms, established naval bases on the south shore of the Mediterranean, and assumed the leadership of the anti-Israel league in the United Nations. For the first time in history they are in the Mediterranean in power, and solidly entrenched on the World Bridge.

"Confronted with this diplomatic and military policy of expansionism and adventurism on the part of the Soviets, the American response has been halting and lame and ineffectual. Indeed, there seems to be no American policy at all in a region of the world where a single chance spark could ignite a local conflict that could bring the great powers hurtling together in a major confrontation.

"What should American policy be in the area, now that we have paid so dearly for the absence of an effective past policy?

"The first urgency is for America not to allow the balance of power to shift in favor of the militant Arab states bent on a new war. To this end, the United States must see to it that Israel's military strength is never at a level vis-a-vis the Arab militants that will invite a war of revenge, the consequences of which we could not possibly foresee and which at all costs we must avoid.

"Second, the United States must deal directly with the Soviets and impress upon them both the urgency of keeping their client states in check, and the dangers inherent to the peace in any renewal of the kind of wholesale Soviet irresponsibility evident just prior to the recent conflict.

"Third, the United States must take the diplomatic lead in forging an acceptable settlement. Included in the terms of that settlement should be solid guarantees that the currently occupied territories will never again be used as bases of aggression or sanctuaries for terrorism. Access for the ships of all nations through the re-opened Suez Canal and the Straits of Tiran should be guaranteed. It should include recognition of Israeli sovereignty, its right to exist in peace, and an end to the state of belligerence.

"With regard to the occupied territories, it is not realistic to expect Israel to surrender these vital bargaining counters in the absence

of a genuine peace and effective guarantee. However, it is also my view that for Israel to take formal and final possession of these occupied areas would be a grave mistake.

"It is my belief from my own visits to Israel and my own talks with her leaders that the one thing that Israel values more highly than the peace she desperately seeks is her freedom and national independence.

"If the United States is to help secure this for the future, then we must strengthen our ties with America's friends in the Arab world. The channels of communication that have broken down must be repaired and the United States must re-establish its position on the side of all of those, Arab and Jew, who are appalled at the prospect of wasting their precious resources on another war.

"To find a just peace in an area of the world that has known only armed truces and three major and bitter wars in a generation is not an easy task. But the United States is not without diplomatic and economic resources, and its private and public men are not without cogent ideas to get directly at the underlying problems of refugees and water. And I think that we cannot wait longer to make the effort."

THE ARMISTICE AGREEMENTS AND THE SUEZ CANAL

After the first Arab-Israel war in 1948, Dr. Ralph Bunche, the UN mediator, undertook to bring the parties together on the island of Rhodes, where they met both directly and indirectly. Ultimately, armistice agreements were signed between Israel and four Arab states, each of which met separately with Israel under Bunche's auspices. This achievement won Dr. Bunche the Nobel Prize. But, regrettably, as often the case with UN declarations, the parties placed different interpretations upon the document.

The Israelis viewed the armistice agreements as stepping stones to peace, which they were intended to be. So did the United Nations. But the Egyptians insisted that the armistice agreements were merely intermissions in a state of war. They argued that they were permitted to remain in a state of belligerence against Israel and that Egypt therefore was justified in closing the Suez Canal to Israel shipping.

In a historic ruling on September 1, 1951, the United Nations upheld Israel's contention when it ruled that Egypt could not block Israel shipping in the Suez Canal. The United Nations thus rejected the Egyptian thesis that it could remain in a state of war. This is the central issue of the Arab-Israel conflict.

But the United Nations has been powerless to enforce its rule. After the 1951 decision, Israel tried to test the issue again. The Soviet Union then protected Egypt from censure by using its veto. Egypt remained free to enforce her blockade, to persist in belligerence.

When the United States and the Soviet Union joined in 1957, after the Suez war, to force Israel to withdraw from Sinai and from Sharm el-Sheikh, President Eisenhower promised, on February 20, 1957, that the Canal would remain open to all shipping. The Administration went on at that time to reinforce the commitment with the Eisenhower Doctrine.

But when we allowed the Soviet Union to write the 1957 settlement in Sinai, we enhanced its influence, and the results were disastrous to the West.

Jordan was compelled to oust its British officers and accept Nasser influence.

Lebanon suffered a bloody civil war aided and abetted by Nasserite agents and propaganda.

Iraq killed its pro-Western leadership in a savage revolt.

As a positive result of the 1956 war, the Straits of Tiran were opened to Israel shipping. This was backed by the reassurances of the maritime powers at the General As-

sembly of the United Nations, where some 17 rose to assert that Israel had a right to send her ships through the Straits. UNEF was placed at Sharm el-Sheikh to see that the Straits remained open.

The Convention on the Territorial Sea and Contiguous Zone, adopted by the UN Conference on the Law of the Seas on April 27, 1958, by a 62 to 1 vote, and effective from September 10, 1964, declared:

"There shall be no suspension of the innocent passage of foreign ships through straits which are used for international navigation between one part of the high seas and another part of the high seas or the territorial sea of a foreign state."

But in 1967 the garrison was blown away by Nasser's boldness and irresponsibility. UNEF was forced to withdraw. Israel's life line to Africa and the Orient was severed. Israel found itself surrounded and besieged on all frontiers.

What became of all the solemn commitments?

"We all know what happened. No one was willing to move. Israel was isolated. The six-day war was the inevitable conclusion."

WHAT ABOUT THE UNITED NATIONS?

Since its historic partition decision in 1947, the United Nations has been unable to carry out its will. We who believe in the United Nations and a world of law have been dismayed by its inability to cope with Arab belligerence.

But the fault does not lie with the United Nations alone. The Soviet Union has used its veto in order to block any effective action in the UN Security Council. The United Nations is not a judicial body; it is a parliamentary institution ruled, not by law, but by bloc voting. The Arab states have contrived to control one-third of the votes in the General Assembly with a coalition of Moslem, Arab and some Afro-Asian countries. It is impossible for the United Nations to be an instrument for peace. The agencies established from time to time to deal with Near East problems have tried to maintain the status quo rather than to advance toward settlement.

Meanwhile, the United Nations has become a forum for the dissemination of anti-Israel propaganda because its decisions invariably overlook or apologize for Arab aggression and provocation and censure Israel for her responses. Our own country has never used the veto except in the case of Rhodesia. Instead of registering opposition to one-sided resolutions initiated by the Arab states and advocated by the Soviet Union, the United States has attempted to compete with the Soviet Union for Arab favor. It has gone along with consensus resolutions which write a deplorable anti-Israel legislative history. Such decisions are utilized in propaganda against Israel throughout the world. And Israel has suffered a critical propaganda setback, for it is cast in the role of violator of UN resolutions.

The United States has not gained from this procedure. The radical Arabs have always credited the Soviet Union for their support and initiative and the United States is regarded as an unwilling tool and prisoner of diplomatic and political circumstance.

THE ARAB REFUGEES

Another significant aspect of the United Nations' inability to deal with the problem has been the fact that for more than 20 years the United Nations has maintained centers for the care, rehabilitation and education of the Arab refugees. But it has lacked the determination to settle their problem by the only practical method—that of resettlement.

The Arab refugees should have been resettled in the many Arab lands which have water, oil and soil. They should have been welcomed by their own brethren. Instead, the Arab refugees were compelled to remain in the camps. Work projects which might

have integrated them into the countries where they found themselves were opposed by the Arab states.

Instead of accepting resettlement, the refugees were encouraged to insist on repatriation in a ritualistic repetition of an isolated clause—Paragraph 11—in UN resolution 191 adopted in 1948. Those who cite that paragraph out of context, emphasizing the Arab shibboleth of repatriation, overlook the reality that the United Nations clearly intended that any such repatriation should be effected within the context of a peace settlement.

Over and over, Administration officials in and out of the United Nations stressed the concept of repatriation. Yet they knew very well that any mass repatriation would have meant death for Israel.

Throughout this period the United States has been the most generous supporter of the United Nations Relief and Works Agency (UNRWA), putting up more than \$455 million—about 65 percent of the total budget—but receiving little credit or appreciation. The Arab states seem to hold the United States guilty of aggression against them and therefore obligated to maintain the UNRWA camps.

As a result of this lack of realism, UNRWA was exploited as an instrument for political action to project the cause of the Palestinian Arabs against Israel.

Now we hear the slogan that the Palestinian Arabs are a nation which is entitled to self-determination. Of course, they could have enjoyed self-determination and established their own state under the provisions of the UN resolution in 1947. But the independent Arab state envisaged in that resolution was denied life by the invasion of Transjordan, Egypt, Syria, Iraq and Lebanon, which wanted to seize and divide all of Palestine among themselves.

The Palestinian Arabs might still have their own state today if they wished to assert their authority in Jordan, which was part of Palestine until 1922. Mr. Winston Churchill then carved Transjordan away from Palestine to placate the angry Hussein family which had been embittered by the French mandate in Syria.

The Palestinian Arabs could take over Jordan and restore its original name—Palestine. Presumably, such a Palestine state could negotiate with Israel for peace and secure borders. Instead, the program of the Palestinian terrorists calls for the establishment of what is euphemistically described as "a secular state of Palestine" in which Arabs and Jews might live in blissful equality. However, the Jewish state, which we call Israel, would disappear under this program. Jews who came after 1917 would have to leave. In other words, the Jewish state would cease to exist.

The irony of the Palestinian declaration is that no such egalitarian state exists anywhere in the Near East today—unless it be the democratic state of Israel. Arab nationalism is intolerant of all minorities—the Copts in Egypt, the Kurds in Iraq, the Berbers in North Africa, the blacks in Sudan. The notion that Jews would have equality in an Arab state is belied by centuries of discrimination and humiliation meted out to the stiff-necked Jews who refused to accept Mohammed's teachings.

Those who espouse the Arab cause against Israel try to argue that the refugee issue is the root cause of the conflict. In truth, the refugee issue arose as a result of the conflict—the refusal of the Arab states to accept the judgment of the international community that the Jewish people had a right to restore their national life in their historic homeland.

The Arabs claim that the Palestinians were the victims of an injustice. But Palestine, it must be emphasized, was never an independent self-governing Arab country; it was part of an Arab empire which dominated the Middle East for just 434 years, almost a full 900

years ago. For ten centuries, Palestine was under alien rule. For much of that period it was a desolate and neglected land of rocky eroded hillsides and mosquito-infested malarial swamps.

The Jews, who did have self-government or a measure of autonomy in Palestine for some 2,000 years, until they were subjugated by the Romans—always prayed for return. There were always some Jews in the country. And when the Jews came to rebuild Palestine more than a century ago, much of the land was owned by a few rich absentee landowners, while the Arab peasants and Bedouin who lived in the country actually regarded themselves as Syrians, not Palestinians. Palestine was then known to the Arabs as southern Syria.

Prior to the Zionist reclamation, which began 100 years ago, Palestine was a country of Arab emigration. Many of the so-called Palestine Arabs are the sons and daughters of Arabs who came into Palestine from Lebanon, Syria, Iraq and Egypt, attracted by the opportunities created by the Zionist restoration.

But the major point that must be stressed is that the League of Nations and United Nations examined these issues and gave their blessing to the restoration of the Jewish homeland.

Moreover, it should be emphasized that the Arabs won their independence in vast areas. There are now 18 Arab countries, as a 1968 State Department document shows. They occupy an area of 4,600,000 square miles, more than 1½ times the size of the continental United States. They are rich in oil, water and fertile land. And they have room. In equity, they who demand self-determination for themselves must concede self-determination for others.

Those who speak glibly of the elimination of the Jewish state and its replacement by another Arab state must ask themselves: Will civilization gain more by the creation of a 19th Arab state than it will lose by the elimination of the one Jewish state, which has once again become the envoy of democracy in the area where democracy was cradled thousands of years ago.

U.S. AID TO ISRAEL

There were two refugee problems in the Near East. While some 600,000 Arabs came out of Palestine, an equal number of Jewish refugees came into Israel in the first three years. Many came from the former concentration camps which were liberated when Hitler lost the war in 1945. Many of them were refugees from discrimination and persecution in Arab countries, where Jews had lived as second-class citizens in squalid ghettos.

In 1951, Israel was trying to cope with this flood and the country was in dire economic straits. Israel requested economic aid from the United States. But the Administration was reluctant to agree because the Arab states were not asking for economic assistance at that time; the Administration feared that it would be accused of partiality toward Israel.

And so it was Congress—your Committee—which took action in 1951, despite reservations by the State Department and over objections of pro-Arab lobbyists who ominously predicted dire consequences for America and American economic interest in Arab countries.

At that time the Administration was asking Congress to approve a grant of \$50 million for the relief and rehabilitation of the Arab refugees. Your Committee requested a similar authorization for the Jewish refugees. While the Committee voted equal sums for the two groups, the money was used much differently.

Israel swiftly absorbed and settled refugees; the Arab states forbade work and development projects. And the money given to the UN agency was used primarily for relief and thus to preserve Arab separatism.

We must ask whether it was really right and in the best interests of the Arab refugees themselves to continue to pour money into refugee camps—maintaining the status quo without insisting that the refugees be resettled and integrated into Arab lands.

In subsequent years, your Committee continued to vote generous sums for Israel, and this confidence in Israel was amply rewarded. She has repaid loans. She became a showcase for American aid. And, in turn, she extended technical assistance to many countries in Latin America, in Africa, in Asia and in Europe.

Your Committee realistically affirmed the sensible view that the Arab refugees should be resettled "on lands where there is room and opportunity for them." These declarations are found in many Committee reports, both in the Senate and the House, over the years.

American leaders have long advocated resettlement. But Arab leaders reject it.

In 1954, the U.S. delegation to the UN urged Arab governments to recognize that "the eventual solution of the refugee problem lies in a new and stronger economy for the Arab countries."

This view has been echoed by many UN delegates.

On August 26, 1955, Secretary of State Dulles announced that the United States would be willing to lend Israel funds to enable her to pay compensation and thus facilitate resettlement.

There have been many strong reports by Congressional committees.

"The U.S. should serve notice that it will not support the return of the Arab refugees to their former homes within the boundaries of Israel under existing conditions." (Smith-Prouty House subcommittee—1953)

"A permanent solution of the Arab refugee problem can only be found through rehabilitation and resettlement and the committee has repeatedly expressed its deep concern over the lack of progress in this direction." (Senate Foreign Relations Committee—1955)

"Resettlement in Arab lands with compensation for property left in Israel is, in fact, the only effective and realistic way of solving the Arab refugee problem. The fact is that the Arab states have for ten years used the Palestine refugees as political hostages. Nothing has been done to assist them in a practical way lest political leverage against Israel be lost." (The Humphrey report—1957)

"Unlike refugees in other parts of the world, the Palestine refugees are no different in language and social organization from the other Arabs. Resettlement, therefore, would be in familiar environment." (Hays-O'Hara-Church House subcommittee—1953)

The House Committee on Foreign Affairs said in 1961:

"Progress towards a final solution remains regrettably slow . . . The committee believes that the vast majority of the refugees will eventually have to be resettled in lands where there is room and opportunity for them."

The Democratic platforms in 1956, 1960 and 1964 called for resettlement in countries "where there is room and opportunity for them."

Regrettably, the Department of State did not insist on resettlement long ago. If it had, the Arab states might have been forced to face up to their responsibility. It is ironic that today rich Arab states like Kuwait, Saudi Arabia and Libya provide only token sums for UNRWA, and that the Soviet Union—the great friend of the Arabs—puts up not a single ruble.

Since Khartoum, the three oil-rich Arab states have been making annual contributions of \$266 million to Nasser and \$112 million to Hussein; \$84 million from Libya; \$154 million from Kuwait; \$140 million from Saudi Arabia.

Yet, over the years, Libya has contributed

only \$464,000 to UNRWA, Saudi Arabia has given only \$3,404,303, and Kuwait has donated only \$1,922,860.

The Arab states and the Soviet Union are more interested in war against Israel than in the alleviation of the misery of the homeless Arabs.

THE REFUGEES BECOME SOLDIERS

Some years ago the Arab states started to convert the refugees into soldiers. While UNRWA provided rations, the Arab states offered arms and ammunition.

Your Committee protested against the misuse of UNRWA funds to finance the training of refugee warriors. Objections were voiced at the United Nations. And there was an amendment to the Foreign Assistance Act, drafted by your Committee, which forbade the use of U.S. funds contributed to UNRWA for the purpose of maintaining refugees who were being trained to go to war against Israel. But to no avail. UNRWA "complied" with the mandate of Congress with brazen indirection. It calculated the amount spent on rations for the training of the refugees and it then entered into a side deal with the Arab states to procure additional sums for this purpose so that it could piously assure you that U.S. funds were not being used for this unholy purpose.

Your Committee repeatedly protested the fraudulent use of UNRWA funds for the dead and departed. But UNRWA feared to lay down the law and it was not until 1967, when many of the refugee centers in the West Bank and Gaza were under the jurisdiction of Israel, that there was some real progress toward rectification of the rolls and elimination of ration fraud.

In the meantime, the refugee children were offered a unique education. They were indoctrinated with Hate Israel mathematics, geography and history. An international agency was thus misused as an incubator for a nationalism which was postulated—not on a historic past—but largely on violent Jew-hatred.

There are all kinds of nationalisms—some benign and some baneful. Those who speak glibly of recognizing the Palestinians as a national entity should consider their objectives.

WHAT THE TERRORISTS SAY

Yasser Arafat said on May 5, 1969:

"The main objective of El Fatah is to liquidate completely the political, economic and social existence of the Zionist base."

In Morocco, on Aug. 19, 1969, he said:

"The objective of our war at this stage is to do away with the social, economic and political fortress of Israel in a long and protracted war which must of necessity end in success."

Dr. George Habash, in Beirut, Dec. 22, 1969, said:

"We wage a national democratic war of liberation of a Socialist nature; the objective is to put an end to Israel's existence as a hostile, racist, robber state which is connected with world imperialism."

INCREASE NEED FOR MINERAL SCIENCE AND TECHNOLOGY

HON. LAURENCE J. BURTON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. BURTON of Utah. Mr. Speaker, recently I received a letter from Professor Ferron A. Olson, head of the department of mineral engineering at the University of Utah indicating the need for increased emphasis for mineral science and technology. He stated, that "there is

a danger that because minerals production is linked so closely with pollution that irreparable damage will be done in mineral science and technology. I doubt that any citizen in this country is more concerned about pollution than I am but the answer certainly is not to reduce metallurgy research funds from the Bureau of Mines or similar action to reduce research. Pollution associated with minerals can only be conquered through further research in metallurgy, mining and other disciplines in the minerals area."

He continued, "Possibly of greatest concern to me is the manpower situation. On the basis of this I am enclosing a brochure illustrating the upward trend we have caused at the University of Utah in the field of metallurgical engineering. The situation is also the same with regards to mining engineering at this institution. We are very pleased that we have been able to do this. However, to continue this growth in metallurgy it is necessary that we have undergraduate scholarships. I should like to propose that a move be made to have the Government assist with scholarship moneys in mineral science and technology. As the attached brochure points out if used properly scholarships provide a strong base from which students can be drawn into disciplines represented by mineral science and technology."

Last October the Committee on Mineral Sciences and Technology of the National Academy of Sciences issued a report on the subject, "Mineral Science and Technology—Needs, Challenges and Opportunities." Pointing out the serious condition of mineral science and technology in our country, the report indicates a current need of 360 professionals per year in mineral engineering and extractive metallurgy—and a supply of only 175 per year. The report stated that "The country is not running out of mineral resources but out of mineral technology needed for their profitable production and processing in world competition. The United States must change this trend by invigorating mineral engineering education and research."

The brochure and a summary of the National Academy of Science study follow:

A BIG JOB TO BE DONE FOR THE MINERAL INDUSTRIES

The cover chart illustrates the supply of and need for persons with bachelor's degrees in mineral science and engineering in the United States.^{2,3,4} The extrapolated curves are sobering and illustrate the problem mineral industries face. As was forcefully stated in a report by the Committee on Mineral Science and Technology to the National Academy of Sciences October 10, 1969:⁵ "The country is not running out of mineral resources but out of mineral technology needed for their profitable production and processing in world competition. The United States must change this trend by invigorating mineral engineering education and research."

MINERAL SCIENCE ENROLLMENT UP AT UNIVERSITY OF UTAH

Vigorous proselyting using a scholarship program has reversed this trend of national decrease in production of metallurgical engineers at the University of Utah. It has es-

Footnotes at end of article.

tablished and sustained an upward enrollment trend in the period from 1967 to 1969, as shown in Figure 1. Figure 2 shows the growth in undergraduate scholarships required to effect this, but as shown in figure 3 the increased scholarships did not change the fraction of students supported by scholarships since the total number of students was also increased. Retention of students recruited from high schools is excellent, as indicated in Figure 4. The surge of students from the freshman class of 1967 to the Junior class of 1969 should produce a marked increase in metallurgical engineers at this institution, commencing June 1971 as is concluded in Figure 5. Thus, this effective proselyting program based on scholarships seems worthy of support.

RECRUITING SUSTAINS UPWARD TREND

The present technique of recruiting was initiated by the University of Utah Department of Mineral Engineering in January 1967. Counselors or science teachers were invited from eight of the local city high schools to a luncheon in which the scholarship program was explained and the field of metallurgical engineering and its future was clearly presented. Subsequently, members of the departmental staff were assigned to the major high schools in the Salt Lake Valley and some adjoining schools. While various approaches were used by the different staff members, the best results were obtained when the staff member arranged to talk to a number of the top science students at the respective high schools. For example, at a typical high school the assigned staff member has talked for the past three years to groups numbering from 30 to as many as about 80 students, all outstanding science students. These talks are of a scientific or engineering nature, coupled with a brief sales pitch for metallurgical engineering and a comment about the scholarship program. Interested students submit a scholarship application and a week or two later are individually interviewed by the metallurgy staff member to determine the winning scholars.

SCHOLARSHIPS PROVIDE MARGIN OF EXCELLENCE

The scholarship program which is vital to proselyting consists principally at the present time of D.C. Jackling Scholarships; 35 of the present 38 undergraduate scholarships are of this type. With the D.C. Jackling Scholarship, students are awarded tuition scholarships for the freshman and sophomore years, which at the present time is \$480.00 per year, and \$750.00 per year for the junior and senior years. To maintain the scholarship the students must maintain a "B" average.

Additionally, should the student lose his scholarship, he may regain it when the required grade point average is regained. This rarely occurs, but does stimulate students to remain during the early years of schooling, acting as an incentive until they can really understand the metallurgical engineering field.

It is believed that the marked increase in the number of freshman students not supported by scholarships which rose from 18 in 1966 to 33 in 1968 and 28 in 1969 is largely due to the vigor of the proselyting effort and scholarship program.

Additionally, some high school students not receiving scholarships registered in metallurgical engineering because their peers of superior attainment did. This program not only produced more undergraduates but produced superior undergraduates due to the caliber of students attracted by the scholarships.

SUPPORT REQUIRED TO PRODUCE 20 METALLURGICAL ENGINEERS

On the basis of the results shown in Figures 3 and 4 one can deduce the number of scholarships required to produce a given

number of metallurgical engineers, i.e., to produce 20 per year. For this, a conservative retention factor of 0.8 and a basis of scholarship support of 0.4 for seniors, 0.5 for juniors, 0.6 for sophomores and 0.8 for freshmen is used. The support level takes into account the decreasing fraction of students supported as the student progresses. It is at a slightly greater fractional support than shown in Figure 3 because the planned marked increase in students and because the wave of superior students expected requires an increased fraction of support for the upper classes over that given for the students summarized in Figure 3. Also, on the basis of the number of seniors registered each Fall as shown in Figure 1, and the graduates produced the following Spring (Figure 5), the factor of 0.8 is used for the fraction of seniors graduating; this is the same as the retention figure for the undergraduate classes. Thus, to graduate 20 metallurgical engineers, 25 seniors would be required of which 10 would be on scholarships. To produce such a class of seniors would require 30 juniors of which 15 would be supported. Similarly, the sophomore and freshman classes would number 38 and 48 respectively with the respective numbers of scholarships being 23 and 38. This would lead to an under-graduate enrollment four years hence of 141 and require 86 scholarships.

With a program of tuition scholarships of \$480.00 for the freshman and sophomore years—followed by added incentive sums of \$750.00 for the junior and senior years, the program would cost \$48,000.00 per year and require \$2,400.00 per metallurgical engineer produced.

Using a figure of \$50,000.00, on the basis of possible increased tuition, \$2,500.00 would be required per metallurgical engineering produced. This is a reasonable price for industry or other supporters if the desired engineers could be produced.

Should out-of-state students be encouraged as has been recommended,⁴ the cost per student would be much greater, depending on the extent of support. Tuition is now \$1,265.00 per academic year for out-of-state students and additional help required could raise this to as much as \$2,500.00 per year per student supported—or about 4 times as much as for local students. This factor is not considered here but is worthy of study.

AN INVESTMENT IN THE FUTURE

The problem facing metallurgical engineering at the University of Utah is that funds are needed to implement this envisioned and needed growth. The staff and facilities justify such growth. Remember that \$10,000.00 should produce at least 4 outstanding metallurgical engineers. Will you consider a grant to the Department of Mineral Engineering at the University of Utah to help accomplish this goal by 1974?

REFERENCES

1. (Cover chart) The production indicated does not take into account the materials en-

gineers produced which caused the two values well above the downward trend in 1966 and 1966.⁵

2. (Cover chart) The predicted need is based on data for the expected increase in need from 1965 to 1976 in metals industries as given in Table 4 of the publication, "Demand for Engineers and Technicians—1966," published as a survey by the Engineering Manpower Commission of the Engineers Joint Council.

3. "Extractive Metallurgy," A report by the Panel on Extractive Metallurgy of the Committee on Mineral Science and Technology made to the National Academy of Sciences, Washington, D.C., 1969.

4. "Mineral Science and Technology—Needs, Challenges, and Opportunities," A report by the Committee on Mineral Science and Technology to the National Academy of Sciences, Washington, D.C., October 10, 1969.

The art, science and technology utilized in the production, upgrading and reduction to primary consumer products of mineral resources is generally termed mineral science and technology. It encompasses the fields of mining, mineral beneficiation, extractive metallurgy, ceramics, mineral fluids production, fuel science and technology, and mineral economics. Together these fields comprise the inner range of a spectrum of science and engineering, dealing with the finding, winning, conversion and utilization of mineral resources, as indicated in Figure 1. The status of mineral science and technology in the United States is the subject of this report, with special attention given to the situation in universities.

Mineral resources are analogous in many respects to agricultural resources. Development of the science and technology as applied to agriculture has been on a large and broad scale for many decades, with continuous federal and state appropriations to a college of agriculture in each state, and strong, well-funded federal and state agricultural organizations. Mineral science and technology has had no such support, with consequent waste of mineral resources, widespread acid-mine-water pollution of streams from abandoned mines, continuing mine disasters, and a falling behind by the United States in the technology of extraction and primary processing of many mineral resources. The U.S. Bureau of Mines has had inadequate funding in recent decades for the task expected of it. Responsibility for federal mineral policy is fragmented. State governments support very little effort in the field; many of the companies that comprise the U.S. mineral industry are small, and few are in a position to engage in or support massive programs of research and development. In fact, only a few major oil companies and a dozen or so metal and ceramic companies can be singled out as major contributors to scientific and technological advances in their own major lines of endeavor.

8 MINERAL SCIENCE AND TECHNOLOGY

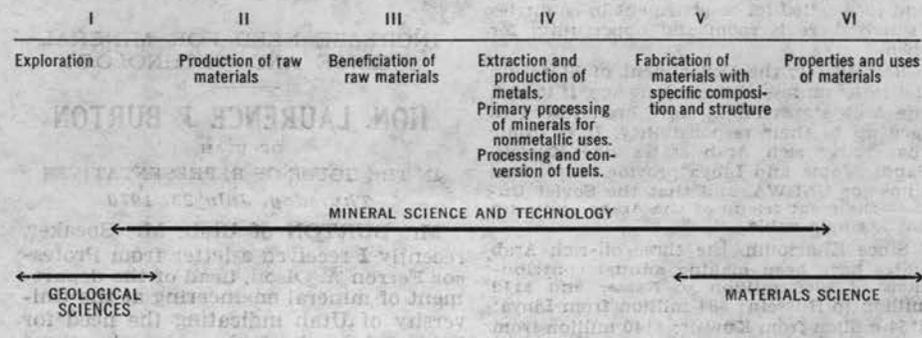


FIGURE 1. Steps in the utilization of mineral-based materials for commerce.

In addition to the need for wise use of our nonrenewable mineral resources, which represent an important trust and responsibility for each generation, it should be of some concern that imports of mineral products have in recent years been rising much more rapidly than exports. The situation is not so much the result of exhaustion of the country's mineral reserves as it is of our not developing the needed technology for efficient extraction, processing, and utilization of the resources we have.

The above situation is generally known, but the United States continues to make no significant move toward reversing the trend of deterioration in mineral engineering education and research in the universities or toward developing an energetic federal and state research-and-development program in mineral science and technology. Of paramount importance at the present time are a strong government program directed at developing the human resources involved (i.e., personnel trained in the fields of mineral

science and technology) and a simultaneous program to develop the knowledge needed for the development and wise use of the country's solid, liquid, and gaseous mineral resources. The full resources of the nation, including the many presently scattered throughout the industry, must be brought to bear on coordinated solutions of the national and international problems in the mineral field that lie ahead.

The limited extent to which resources in men and money are being brought to bear on our mineral resources problems, and the present unsatisfactory state of mineral science and technology, can be gathered from the following summary statements on: the present U.S. resources in mineral scientists and engineers; the way the United States is organized to train men and develop the technology in the mineral fields; the funding picture for mineral science and engineering research, and conclusions regarding the status and needs of mineral science and technology in the United States.

RESOURCES IN MINERAL ENGINEERS AND SCIENTISTS

There are approximately 65,000 mineral engineers and scientists in the United States. About 80 percent of these are engaged in research, development, and production in the mineral industries, 7 percent are employed by government, 6 percent are located at educational institutions, and 7 percent have other employment. The total number is increasing about five percent per year, as indicated by membership data of the American Institute of Mining, Metallurgical and Petroleum Engineers (AIME) and the American Ceramic Society. The total graduated each year from mineral engineering and science curricula, however, is not increasing. The total number of B.S. degrees granted decreased to a minimum of 1,267 in 1963-1964 and has recovered only slightly since then, despite inclusion of "materials engineering" degrees with metallurgy in the last two years (see Table 1).

TABLE 1.—NUMBER OF BACHELOR'S DEGREES GRANTED IN MINERAL SCIENCE AND ENGINEERING, 1956-66¹

Year	Total	Mining engineering	Petroleum engineering	Metallurgical engineering	Ceramic engineering	Geological engineering	Year	Total	Mining engineering	Petroleum engineering	Metallurgical engineering	Ceramic engineering	Geological engineering
1956-57	1,813	231	650	577	128	227	1962-63	1,391	180	228	721	174	88
1957-58	1,982	240	688	670	159	225	1963-64	1,267	144	158	686	205	74
1958-59	2,114	239	731	724	177	243	1964-65	1,436	146	174	851	195	70
1959-60	1,902	242	597	682	169	212	1965-66	1,351	138	133	781	182	117
1960-61	1,724	220	455	720	167	162	Total	16,460	1,973	4,137	7,091	1,705	1,554
1961-62	1,480	193	323	679	149	136							

¹ Basic source of data is U.S. Office of Education.
² Includes materials engineering.

³ From Ceramic Education Council of American Ceramic Society.

With the production of graduates in the mineral fields static and employment of engineers and scientists in the mineral industries increasing, it is evident that the industry is absorbing increasing numbers trained in other fields despite an expressed strong preference by employees for graduates of mineral engineering and science curricula.

The decrease in total bachelor's degree production during the past decade (Table 1) is alarming and presents a baffling problem to the mineral industries. That there is a relatively small number of graduates per year in mineral engineering as compared with the number of engineers and scientists working in the mineral fields is indicated by a comparison with the field of chemistry. Using figures available in a recent report,¹ the ratio in 1964 of professional chemists in the United States (125,000) to B.S. degrees in chemistry granted that year (8,500) was approximately 15. This ratio for mineral engineering is about 50, meaning that there is only one mineral engineer graduated each year for 50 professionals in the field. Inasmuch as a strong demand is said to exist for B.S.-degree chemists, an exceedingly strong demand must exist for B.S.-degree mineral engineers.

Enrollment in the mineral engineering curricula is discouragingly small at the typical educational institution, commonly a state university, having one or more of these curricula. This low enrollment has caused the demise of bachelor-degree programs in mining at nine universities in the 5-year period of 1962-1967, leaving now only 17 accredited curricula in the country.

Among mineral engineering departments at universities, the median number of upper-class majors in the fall of 1967 varied from 12 in mining to 29 in petroleum engineering. The number in the senior class is about half this number, or 6 to 14. A department having this relatively small number in a graduating class and without large enrollment in "service" courses is considered by modern state universities as being of marginal size. For

many of those university departments where the number of seniors is below the median, enrollment must increase or the curriculum will be surely abandoned in the next few years. (See Chapter 6 for further details.)

ORGANIZATION OF EDUCATION AND RESEARCH IN MINERAL SCIENCE AND TECHNOLOGY UNIVERSITIES

Sixty-two educational institutions have undergraduate curricula in one or more of the mineral engineering fields as listed in the 1967 annual report of the Engineers' Council for Professional Development. A graduate and research program is generally also present. In distribution, size, and organization arrangement these are notably nonuniform. For example, one university has seven separate departments with a graduate and research program as well as an undergraduate curriculum in each of: mining, mineral preparation, petroleum and natural gas engineering, metallurgy, ceramic science, fuel science, and mineral economics; in addition there is a graduate program in solid-state science which is administratively coordinated with ceramic science, metallurgy, and fuel science. On the other hand, 35 institutions have departments in only one of these fields, usually metallurgy. Not uncommonly, research in metallurgy and ceramics is done in a materials science or materials engineering department, in which case the metallurgy research is likely to be entirely physical metallurgy.

Curricula in mining, petroleum engineering, and extractive metallurgy (including process and chemical metallurgy) exist in a relatively small number of universities, typically have few students, and almost half of the graduate students in these three fields are foreign (see Tables 2 and 5, pp. 62 and 65). For example, in the fall of 1967, 17 educational institutions had accredited curricula in mining engineering. The median number of seniors was approximately six. There were at the same time 19 graduate programs in mining, the median department having eight graduate students with 48 percent of them foreign.

Ceramics and physical metallurgy curricula

are in a better position both in number of students and in outside support of research and graduate work. The percentage of foreign graduate students is less—about 14 percent. These two fields are a part of the materials science and engineering wave in education funded especially by the Department of Defense in recent years but also by other federal agencies. The large materials science laboratories established at universities with federal funds almost all emphasize physical metallurgy and solid-state physics. The non-metallic inorganic materials field (ceramics) has caught only the fringe, and extractive metallurgy has completely missed this development. Established ceramics departments where a strong background, interest, and competence in the field is naturally present have in general been passed over in this large funding of materials science during the past decade.

Fuel science and mineral economics are ordinarily not separate curricula. Both, however, are exceedingly important fields in the future of our economy and should be fostered and financially supported at universities. The Bureau of Mines is well known for its research in both fields and logically should become involved in support of these graduate and research programs in universities.

GOVERNMENT

The Bureau of Mines was established within the Department of the Interior by act of Congress in 1910. This Bureau was clearly intended to serve as the mineral science and technology arm of the federal government. However, there are several other agencies within the Department of Interior that also report, as does the Bureau of Mines, to the Assistant Secretary for Mineral Resources. These agencies include: the Geological Survey, the Office of Coal Research, the Office of Oil and Gas, the Office of Minerals and Solid Fuels, the Office of Water Resources Research, and the Oil Import Administration. Consequently, the Bureau of Mines is organizationally at a level where it finds difficulty in exerting major influence on national mineral policy considerations. Moreover, in recent years the Bureau of Mines has had

Footnotes at end of article.

several directors, some of whom served for relatively short periods; additionally, it has also undergone several internal reorganizations. Further, it has received grossly inadequate financial support for the job to be done.

Many other federal departments and agencies have or can have major impact on the mineral industry through regulations or support: the Tariff Commission, the Federal Power Commission, the Interstate Commerce Commission, the Department of Commerce, the Department of Health, Education, and Welfare, the Department of Transportation, the Justice Department, the Defense Department, the State Department and the Atomic Energy Commission, to name several but by no means all.

Within every state one or more agencies have some jurisdiction over the mineral industry. Every state is concerned with taxation and safety, some are concerned with regulation of production and many are concerned with providing adequate supplies of minerals to attract and to hold industry. Most of the effective state research programs in mineral engineering are operated by agencies affiliated with universities, and in some cases the state research is closely integrated with the state university program. State research in mineral science and technology is commonly directed toward problems of local interest, and in some cases directed toward the advancement of the mineral industries within the state in competition with other states. This arrangement has a particular advantage to the local industries because it allows close association between the localized industry and the research agency. In quality of personnel and facilities, the range within state agencies is from highest quality to inadequate. Also, with only a few exceptions, the level of financial support falls far short of the job that needs to be done within the state.

INDUSTRY

A few of the mineral companies have modern, well-staffed research laboratories. Laboratories of several of the major petroleum, steel, and glass companies are examples. In addition, companies in several of the industries have banded together in an organization to support research for the whole industry, for example, the American Iron and Steel Institute and the Glass Container Research Corporation, with annual expenditures, respectively, of approximately \$3,000,000 and \$325,000. Companies also turn for contract research to the nonprofit research organizations.

FUNDING OF MINERAL SCIENCE AND ENGINEERING RESEARCH

Research on mineral resources is similar in many respects to research in agriculture. In both cases an agency of the federal government was created with a responsibility for carrying out research—The U.S. Bureau of Mines and the U.S. Department of Agriculture. Fortunately for this country and the world, agricultural research is supported in each state by federal appropriations, a practice begun in 1887 with passage of the Hatch Act, which provided an annual appropriation for the Agricultural Experiment Station established at the land grant college in each state. Unfortunately, no such provision for support of mineral resources research at the land grant colleges or mining schools was made.

Funding of university research in mineral science and engineering is relatively small and comes from a variety of sources. Total extra-university funding of all mineral science and engineering research at universities, exclusive of physical metallurgy, was at an annual rate of only approximately \$11 million in the fall of 1967 (see Table 9). The total outside research support of all grad-

uate and research programs in mining departments was \$681,000, of which \$272,000 was from the federal government. The federal support figure for petroleum engineering is similar, and for extractive metallurgy it is about twice as much. According to a recent NSF report,² "On the average approximately \$1 million in Federal funds is associated with the award of seven doctorates in science and engineering." Federal support of graduate work in mining and petroleum engineering is therefore sufficient for only two Ph.D.'s per year nationally in each of these fields if the programs received average federal funding per Ph.D. candidate, and for about four Ph.D.'s in extractive metallurgy. The NSF figure of course includes programs in physics, oceanography, astronomy and other high-cost research areas. In chemistry the cost is much less; it is estimated that not over \$30,000³ per Ph.D. is contributed by the federal government. In mining and petroleum where there are now granted about 20 Ph.D. degrees per year in each field, the federal contribution per degree is only about \$15,000. The federal support per graduate student per year in mining, extractive metallurgy, and petroleum engineering was less than \$2,000 in 1967 as compared with approximately \$6,000 for chemistry graduate students in 1964.³ On any basis, graduate programs in mineral science and engineering receive comparatively little federal support, and this may partly account for the lack of attractiveness of mineral engineering to graduate students.

In federal laboratories, research in mineral science and technology is largely the responsibility of the Bureau of Mines. In fiscal year 1968, approximately \$36 million was spent (Table 14, p. 83). It is noteworthy that expenditures for research in the Bureau of Mines have decreased from 3 percent of the federal research-and-development budget in 1940 to 0.2 percent in 1968. The Bureau of Mines effort is concentrated in mining, extractive metallurgy, and fuel science and technology.

Comparable industrial research expenditure figures are not available. The Office of Coal Research of the Department of the Interior provided \$10.7 million in fiscal year 1968 for contract research and development largely with industrial laboratories. Funds for research and development in 1966 in four broad categories are shown in Table 19, p. 88. Funds expended for research in the mineral industries seem relatively small. Research-and-development expenditures in 1966, expressed as percentages of net sales, were 1.0 percent in petroleum refining and extraction; 1.7 percent in stone, clay, and glass products; and 0.8 percent in primary metals, compared, for example, to 4.0 percent in the chemicals and allied products industries.⁴

CONCLUSION

In past decades the United States has held the lead or has been in an excellent competitive position in virtually all aspects of mineral science and technology. Studies by our panels indicate that this is still true in petroleum production, but in several other fields the United States is losing out. The mineral resources exist. It is the technology of mineral extraction and processing that is not advancing fast enough to keep U.S. mineral production and our mineral industries at the forefront.⁵ In addition to mineral production, tremendous opportunities exist for developing the technologies that will make possible better general use of the solid earth, and the United States should be moving on this broad front. A recent report,⁶ for example, emphasizes the importance of accelerating the development of rapid-excavation technology, and earlier reports⁷ have

Footnotes at end of article.

shown the need for increased geological, geophysical, and geochemical research on the upper layers of the continental crust—research which will provide the long-range, basic information needed for mineral-resource evaluation and also will contribute substantially to mineral technology.

Of particular concern are the deteriorating situation of mineral engineering and science in universities and the lack of an appropriately organized and funded federal establishment for mineral science and technology. Regarding the former, the picture in mining engineering is especially serious. From 1937 until 1962 there were from 30 to 26 accredited university departments teaching mining engineering, and during those years as many as 500 first-degree mining engineers were graduated annually. The erosion since 1962 has become extremely critical, with only 17 departments left in 1967 and only 138 bachelor degrees granted.

At the same time, the demand for mining engineers has remained steady. A sampling of 55 companies in 1964 indicated an estimated 10-year requirement of 162 mining engineers per year for those companies alone.

One of the reasons for low enrollment in mining is that students in approximately two thirds of the states must attend college in another state to obtain a degree in mining engineering. These students ordinarily face the handicaps of paying a higher, out-of-state tuition and of more difficult admission within an out-of-state student quota. More students would no doubt enroll in this field if arrangements were made to eliminate these penalties.

In these fields of mining research, machinery manufacturers and mining companies do research directed toward meeting normal foreseeable commercial needs, but the more basic engineering research that might be done in universities is on a very small scale. Federal funds for modern research equipment and facilities and for graduate-student stipends is a pressing need at the few mining schools remaining.

In the field of nonmetallic materials (ceramics research), a study of published literature by the Panel on Non-Metallic Materials⁸ shows that the United States is constantly falling farther behind the Soviet Union in quantity of scientific and engineering papers published in this field. In universities the problem with the nonmetallic materials program is partly one of organization and administrative concepts. The field is one where an interdisciplinary approach is highly desirable. It is a field where coupling with industry is a great advantage for support and stimulation of the university programs.

The position of extractive metallurgy is clearly unsatisfactory. Although the United States occupied a dominant position in this technology before World War II, the major significant postwar developments with few exceptions, have originated abroad.⁹ The competitive position of the United States relative to major foreign groups is deteriorating. This worrisome trend will not be easily reversed inasmuch as current research publications show proportionately greater activity in this field in Western Europe, the Soviet Union, and Japan. Metallurgy departments in universities may look reasonably healthy because of current significant support of physical metallurgy by government agencies, but the numbers of extractive metallurgy graduates and the extent of research activity in U.S. educational centers has declined to the extent that effective continuing operation is threatened. It does not appear that current academic, industrial, and government research or student enrollments are adequate to meet the future requirements of our national goals. Federal support through traineeships and research grants to the extractive metallurgy programs still active is an immediate need.

Although the position of petroleum engineering in the universities is very similar to that of mining and extractive metallurgy, U.S. technology has maintained its pre-eminence in the field through the very extensive research carried out principally by petroleum companies. The Committee does not believe that petroleum engineering curricula should be allowed to shrink and disappear. There is, however, a need for a more interdisciplinary approach to the large problem of the extraction, movement, and storage of fluids within the earth's crust and the transmission of these fluids. Combining university work in hydrogeology and petroleum engineering, for example, could be of great benefit for both and could stimulate the development of a larger, broader group of students and faculty with more chance for support from federal and state agencies.

The role of the federal government is bound to be of major significance in the development of mineral science and technology in the United States, as it has been in the field of agriculture, but strong actions must be taken soon to avoid costly crash programs later. The important element is to plan so that we can do things in time and avoid jumping from one crisis to another. Consider the following: (a) The United States is the largest producer, consumer, and importer of minerals and fuels in the free world. (b) By 1985 the nation's mineral and fuel requirements will nearly double (see Figure 2). (c) Facilities to produce the increased supply require, on the average, about 5 to 10 years of lead time and about \$100 million per venture to bring them into productivity. (d) Because foreign ores are richer and readily adaptable to proven technology, because foreign labor is cheaper, and because tax and other financial concessions are possible abroad, a substantial part of U.S. exploration and investment for facilities in the future is being made in foreign countries. (e) If present trends continue, the nation's ability to produce minerals from domestic sources will not remain static, but in some cases, will disappear.

BILLION DOLLARS

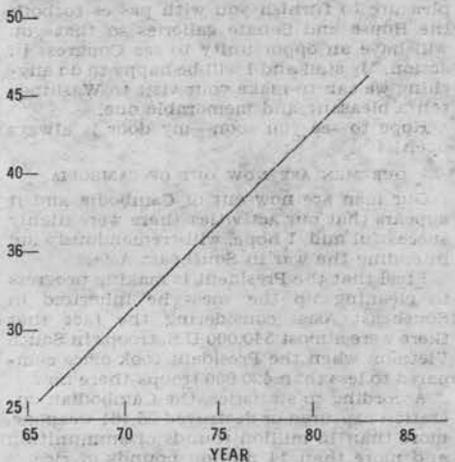


FIGURE 2.—Projected U.S. consumption of minerals (in terms of constant 1966 dollars)

Because of the critical problems facing the nation with respect to future shortages of minerals and the growing dependence on foreign sources of these minerals, it is in the national interest for the federal government to foster and encourage (a) the development of an economically sound and stable mining and minerals industry, (b) the orderly development of mineral resources and reserves necessary to assure satisfaction of industrial and security needs, and (c) mineral science and engineering research to promote the wise and efficient use of the nation's mineral resources.

The desired national mineral technology program should have many elements, such as federal research grant and traineeship programs at universities, a federal matching grant program with states to stimulate local mineral-technology research-and-development activities, and a far greater research effort by the Bureau of Mines on underground environments.

One of the pressing critical needs is a National Minerals Reference Center, located in the office of the Assistant Secretary for Mineral Resources. This should be a central, well-staffed information service to advise legislators and the executive branch of the government and to provide information and analytical services needed by policymakers. At present, efforts in this field are scattered among several agencies, principally the Bureau of Mines, the Geological Survey, the Department of Commerce, the Department of State, the Atomic Energy Commission, the Department of Defense, the Office of Emergency Planning, and the General Services Administration.

The Committee also recognizes the need for a continuing advisory group representing the mineral science and technology community to provide advice on the state and needs of mineral science and technology in the country, to aid in identifying the issues affecting the national minerals posture, and to help in resolving the problems that threaten both the adequacy and the dependability of the nation's supply of minerals and mineral fuels. This advisory group should probably be a part of the National Research Council, with recommendations channeled through normal procedures of the Council. Alternatively, this advisory group might take the form of a Minerals Advisory Board appointed by the Secretary of the Interior to provide counsel to the government.

Finally, the Secretary of the Interior should provide the Congress with an annual report on the state of the mining and minerals industry, including a statement of the trend in utilization and depletion of mineral resources, together with such recommendations for legislative programs as may be necessary to meet the mineral demands of the nation in the years to come.

FOOTNOTES

¹ *Chemistry: Opportunities and Needs*, NAS-NRC Publ. 1292, National Academy of Sciences-National Research Council, Washington, D.C., 1965.

² "The Dynamics of Academic Science—A Degree Profile of Academic Science and Technology and the Contributions of Federal Funds for Academic Science to Universities and Colleges." National Science Foundation Report No. 67-6.

³ *Chemistry: Opportunities and Needs*, NAS-NRC Publ. 1292, National Academy of Sciences-National Research Council, Washington, D.C., 1965.

⁴ Results of this study appear in *Non-Metallic Materials*, to be published by the National Academy of Sciences, Washington, D.C.

⁵ A study of the source of contributions to this technology appears in *Extractive Metallurgy*, to be published by the National Academy of Sciences, Washington, D.C.

⁶ "Research and Development in Industry, 1966." National Science Foundation Report No. 68-20.

⁷ In this connection, see: "Mineral Resources: Challenge or Threat?" by W. R. Hibbard, Jr., *Science* 160, 143-149, 1968; and "Mineral Shortages," Hearing before the Subcommittee on Minerals, Materials, and Fuels, March 21, 1968.

⁸ *Rapid Excavation: Significance, Needs, Opportunities*, NAS Publ. 1690, National Academy of Sciences, Washington, D.C., 1968.

⁹ For example, *Solid-Earth Geophysics—Survey and Outlook*, NAS-NRC Publ. 1231, National Academy of Sciences-National Research Council, Washington, D.C., 1964.

REPORT FROM WASHINGTON

HON. JAMES H. (JIMMY) QUILLEN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. QUILLEN. Mr. Speaker, I have just completed my special "Report From Washington," which will go out to all postal patrons in my district in a few days, and I would like to make it available for readers of the RECORD. Naturally I am not including the photographs contained in the report, but the cutlines are included.

REPORT FROM WASHINGTON, JULY 1970

DEAR FRIENDS: Since you received my 1970 Report from Washington in February, many important matters have come before the Congress, and I would like to discuss some of the issues with you in this special four-page report.

There are many world and national problems unsolved, but nonetheless, I feel there are several areas where improvements can be made in the 1970's if we continue to work together.

An all-important issue we face as a Nation is improving the quality of our environment. When we consider the environment, we envision fresh air, clean water, plenty of wholesome and adequate natural resources for both industry and recreation with lots of elbow room.

But present day realities force us to also consider the unpleasant aspects of our environment—congested cities, dirty rivers and lakes, polluted air and intense noise.

I am deeply concerned over the conditions of our environmental surroundings, and have joined in co-sponsoring seven bills to help remedy these problems.

Two very important issues I discussed with you in my February report were the Vietnam war and inflation, and they are still of primary concern to all of us.

In my opinion, inflation and the war are the two top problems we must solve. We must assure that a just and honorable peace is speedily obtained in Vietnam, and we must do everything within our power to ease the impact of inflation.

I have always supported the President's withdrawal plan and I will continue to do so because we must constantly work toward the goal of bringing all of our American fighting men back home.

Below and on the following pages, I have discussed other important matters which I hope will be of interest to you.

SOME 60,000 HAVE ATTENDED MY "OPEN DOOR" MEETINGS

When I was first elected to Congress, I said that my door would always be open to all of the people, and I am pleased that this policy has given me the opportunity to assist you with your problems down through the years.

I thoroughly enjoy my "Open Door" sessions, although they involve many hours of hard work, both for me and my fine staff. We set up an office in the courthouse of each county, and I meet with the people on a first-come, first-served basis. Often our lunch consists of a quick snack between visits.

It is certainly gratifying to me that the turnouts have exceeded my expectations. A conservative figure of the number of persons I have interviewed during my "Open Doors" is 60,000. I also enjoy greeting those who just come by to say "hello."

In addition, I keep my door open throughout the year. I have my office in Washington in Room 102 of the Cannon House Office Building and I also maintain a Congressional

office in Kingsport in Room B-8 of the Post Office Building.

When there is no business scheduled in Congress, I try to come back to the District so I can devote my personal attention to your problems involving the Federal Government.

It has been helpful to me to discuss the current issues facing our country with you on my trips to the District, and it is my pleasure to assist you in every way that I can. Your ideas and suggestions are very important to me, as I want to do everything I can in your best interest.

Some of my colleagues have followed in my footsteps by initiating "Open Door" meetings in their Districts, and I commend them because I feel this is the best possible means to bring government as close to the people as is humanly possible.

So, please remember—my door is "ALWAYS OPEN" to you and your friends.

SOCIAL SECURITY BENEFITS INCREASED—BUT NOT ENOUGH

A 15% increase in Social Security benefits was passed during the closing hours of the session last year. In May, 1970, the House passed another bill providing an additional 5% increase in benefits which will become effective on January 1, 1971, when it passes the Senate. Recipients are now receiving the 15% increase. I was most heartily in favor of these increases and, of course, I voted for both of the bills.

The measure containing the 5% increase—when it becomes law—also increases the earnings limitation from \$1,680 to \$2,000. This means that a person can earn up to \$2,000 without losing any benefits.

During fiscal year 1969-70, it is estimated that \$53,366,000 in Social Security benefits was distributed to recipients throughout my Congressional District.

The bill—and I hope the Senate passes it without further delay—makes a number of other changes in the law which the Committee believed were most urgently needed at the present time and which can be financed from funds to be available. The House approved President Nixon's proposal for an automatic increase in benefits whenever the cost of living goes up by 3% or more beginning in 1972.

PERSONAL INCOME TAX EXEMPTION SHOULD BE INCREASED TO \$1,200

I was highly pleased when the Senate and House passed a compromise bill to my legislation increasing the personal income tax exemption. However, I was deeply disappointed that my bill increasing the exemption from \$600 to \$1,200 was not enacted. I voted for the bill increasing the exemption from \$600 to \$750, over a three-year period, and I assure you I will continue to fight for my bill until a \$1,200 exemption is realized.

MY BILL TO REPEAL GUN CONTROL ACT BOTTLE-NECKED IN COMMITTEE

I am continuing my efforts to get my bill repealing the 1968 Gun Control Act released from the House Judiciary Committee, so there can be a vote on it in the House.

As I have stated before, I am unalterably opposed to any gun control legislation and most of the residents of my Congressional District are too.

I strongly believe that the registration and licensing of firearms constitute an unwarranted invasion of privacy and legislation dealing with this subject should never be enacted into law. I feel the Gun Control Act is bad legislation and has no clear impact on the criminal misuse of firearms.

I also introduced a bill—H.R. 13409—which was enacted into law as a provision in another measure, making it unnecessary to register shotgun shells and ammunition suitable for use only in rifles. Please rest as-

sured that I will continue to fight for the passage of my bill repealing the Gun Control Act of 1968.

COMMUNISM ON THE MARCH

The U.S. State Department's twenty-second annual report on communism says there were 45.9 million members of communist parties throughout the world in 1969—700,000 more than in 1968. This is frightening!

In connection with this report, I would like to say that I am still working on my bill which would prevent communists from working in defense facilities. The measure passed the House and is now pending in the Senate Judiciary Committee.

I have attempted to jar the bill loose from the Senate Committee, as I know how important the passage of this legislation is to our national security.

I feel this is one of the most important bills that ever could be enacted, and I will continue to press for its enactment.

MILK PROGRAM APPROVED

I was extremely pleased when the House passed the bill providing funds for the Special Milk Program for schoolchildren, despite the fact that \$5,000,000 was cut from the authorization.

I had hoped the House would approve an authorization of \$125,000,000, rather than accept a Senate amendment which trimmed the amount by \$5,000,000.

However, the House agreed to accept the Senate bill approving \$120,000,000 and I am sure this will do the job for the next fiscal year.

Several months ago, when there appeared some doubt that the bill would be passed, I wrote the Senate Committee in which the bill was pending, asking that the program be continued.

I am pleased that this measure has now been signed into law by the President and that the program will not be interrupted.

FOREIGN AID SLASHED

I was certainly pleased when the House Appropriations Committee slashed next year's foreign aid budget by 25 percent. I have always contended that we should eliminate foreign aid and give more impetus to the needs of the people in America.

My opinion is that while we spend billions of dollars overseas there are many of our citizens who are going hungry and without clothing here at home.

The House Appropriations Committee reduced the Nixon Administration's request by \$555 million to \$1.6 billion. All of the cut was made in economic assistance.

My feeling in strictly opposing foreign aid is that developing Nations must assume more responsibility for their own welfare. Our wealthy allies should be expected to do more in mutual support of the free world.

It is estimated that the United States will have provided economic and military assistance amounting to a net total of \$131.5 billion of which only \$28 billion is in the form of loans. The balance of \$103.5 billion is in the form of grant aid.

FARMERS DESERVE MORE SUPPORT

The House approved a \$7.4 billion money bill for the Department of Agriculture and related agencies for fiscal 1971. The bill provides \$2.4 billion for food assistance programs to the needy, including the Special Milk Program, the Food Stamp Program, and the Child Nutrition Program. More than \$690 million in the bill will go for pollution control.

Agriculture continues to be one of the most important elements of the economy in the eleven counties of the First District. Earlier this year, I testified before the House Subcommittee on Agriculture Appropriations in behalf of the budget for the Soil Conservation Service.

This program performs an outstanding service for farmers and other land users and has received international acclaim in this respect. It is certainly true that these dedicated men have long been in the forefront of the conservation movement.

It is very important for Congress to help the farmers at every opportunity. Every citizen depends on their valuable services. I will continue my efforts to help them in every respect.

SENIOR CITIZENS NEED A HELPING HAND

Just two months ago our senior citizens were officially recognized for their contributions to their communities and our Nation. I was certainly glad to share in this well-deserved salute, for so many times our senior citizens go unrecognized.

I might point out that our senior citizens helped our Nation win two world wars and overcome the great depression of the 1930's.

Many of them have played leading roles in efforts to wipe out disease and to provide better living and more leisure time for all of us today. I feel we owe them a great debt.

We have moved forward to solving some of the problems facing our senior citizens, but much remains to be done. According to statistics, the Federal Government is spending more than \$3 billion annually on programs for them, excluding trust fund payments for Social Security. Social Security funds amount to more than \$27 billion.

But inflation is the constant enemy of the aging and this is the area where we must place great impetus.

Retirement benefits must be increased, due to the ever-continuing rise in the cost of living. I have introduced measures to accomplish this and will continue to offer a helping hand.

WELCOME TO WASHINGTON

Whenever you are in Washington, I hope you will come by my office, located on the first floor of the Cannon House Office Building in Room 102—at the corner of New Jersey and Independence Avenues, SE., just across from the Capitol. It's always good to see friends from the First District.

When you come by my office, it will be my pleasure to furnish you with passes to both the House and Senate galleries so that you will have an opportunity to see Congress in action. My staff and I will be happy to do anything we can to make your visit to Washington a pleasant and memorable one.

Hope to see you soon—my door is always open!

OUR MEN ARE NOW OUT OF CAMBODIA

Our men are now out of Cambodia and it appears that our activities there were highly successful and, I hope, will tremendously aid in ending the war in Southeast Asia.

I feel that the President is making progress in cleaning up the mess he inherited in Southeast Asia, considering the fact that there were almost 540,000 U.S. troops in South Vietnam when the President took office compared to less than 420,000 troops there now.

According to statistics, the Cambodian operation captured or destroyed 25,401 weapons, more than 15 million rounds of ammunition and more than 14 million pounds of rice.

Our military advisers in the fields of Cambodia report that the Cambodian operation was a success and, in fact, far exceeded their expectations.

As I pointed out in my introductory remarks of this special report, I believe the Vietnam war is one of the most important tasks facing the Nation. This terrible conflict must be brought to an end so our men can be brought home.

CUT LINES

A visit to the Billy Graham Crusade.—One of my most inspiring and enjoyable moments came the evening of May 28 when I visited

the Billy Graham Crusade in Knoxville with President and Mrs. Nixon and several other members of the Tennessee Congressional Delegation. In the picture above, we are shown together after we deplaned. From the airport we went on to Neyland Stadium for the service which was attended by more than 100,000 persons.

White House visit.—Mrs. Quillen (left) and I had the pleasure of attending an evening at the White House recently in honor of country music star Johnny Cash and Mrs. June Carter Cash. The nationally prominent singer and musician was invited by President Nixon to perform. Cecile and I were also invited by President and Mrs. Nixon and we certainly enjoyed the evening. In the picture above we are shown with the Cashes.

Vice Presidential visit.—The name of Vice President Spiro T. Agnew has practically become a household word throughout the country because of his outspoken position on major issues. I share many of the Vice President's views, and I had the honor of discussing the problem of campus unrest with him recently in his office in the Capitol. The picture above was taken during our visit.

Visit with veterans.—During the Mid-winter Conference in Washington in February, I visited with members of the National Disabled American Veterans organization. I am shown here chatting with members who came from as far away as California. I also enjoyed meeting with James E. Collins of Kingsport and others from my District at this meeting. Mr. Collins is a very active member of the DAV and is presently serving on the National Executive Committee.

Awards from all five national veterans' organizations received.—Shown above are the citations and awards I have received from all National Veterans' Organizations. The awards, presented to me for distinguished service in Congress and service to veterans and servicemen, are from (left to right) Veterans of World War I, The American Legion, Veterans of Foreign Wars, AMVETS, and Disabled American Veterans. As a veteran of World War II, I am especially proud of these awards and I will continue to support legislation to benefit veterans and servicemen.

My committee at work.—The members of the powerful House Rules Committee are shown above. I am the fourth ranking Republican member of this Committee which sets the rules on the legislation that goes to the House floor. This picture was taken during a recent session when an important piece of legislation was being discussed.

IN CONCLUSION

Although I was involved in many other decisions and activities during the past few months, I believe the information I have included in this report gives you some of the highlights of this session so far.

In closing, I would like to say that it is my hope that the high cost of living can be lowered, taxes reduced, the war ended speedily and honorably, and that law and order can be restored throughout the land. I will continue to do everything I can to achieve these goals.

Sincerely,

JAMES H. QUILLEN.

CONGRESSMAN ZWACH SCHEDULES MEETINGS DURING RECESS

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. ZWACH. Mr. Speaker, Minnesota is a land truly blessed. It was endowed by our Creator with a profusion of sky-

blue lakes, meandering streams, verdant fields, and stately forests.

Our greatest asset, however, is our people—healthy, long lived, clear thinking, ambitious, God-fearing, thrifty, and hard working.

It is a great privilege for me, and I am highly honored, to have been elected by the people of the Sixth District of Minnesota to be their Representative in the Congress of the United States.

In our congressional district, we have 3,871 lakes totaling more than half a million acres, an average of 134 acres per lake. While most of this water is still unpolluted, clear, blue, and drinkable, problems are arising where the lake-shores are too densely built with summer homes using septic tanks.

As we move into the decade of the 1970's, we must evolve new techniques for disposing of the wastes from these homes. We cannot pollute our lake waters and endanger our bountiful fish life.

Marvelous Minnesota is a delightful place to live. Almost endless recreational opportunities are right outside the door, summer, fall, winter, and spring. The recently passed Resource Conservation and Development Act, which I had introduced, will further enhance these recreational opportunities.

Snowmobiling, a universal wintertime activity, has given birth to whole new industries and has necessitated new courses in our vocational schools.

Boats are almost as numerous in Minnesota as automobiles and again new industry thrives as a result and vocational schools are offering new courses.

Our forests provide a steady income from the harvesting of timber and pulpwood, giving employment to our people in lumber and paper mills. The forests are home for a wide variety of wildlife and a happy hunting ground for our people.

With all of this, the Minnesota Sixth Congressional District is one of the most thoroughly agricultural districts in the entire Nation. We have 32,500 farms on which live some 130,000 people. Each farmworker provides food and fiber for himself and 44 others. Agricultural production in our district provides eventual employment for over 650,000 people. Our farms have 25 percent of Minnesota's dairy cows and 28 percent of our State's pigs. We are a leading producer of corn, soybeans, and flax.

Our public school system ranks among the best. We are a leader in vocational education for those who are not college bound. We are proud of the seven colleges in our district whose graduates take their places among the leaders of our great Nation.

Mr. Speaker, I am deeply grateful for the opportunity to serve the people of this most generously endowed area.

I believe in keeping these people informed about my activities in Congress. Each week I send a news column and one or more news releases to each of our 87 weekly and 9 daily newspapers as well as our 21 radio stations. I also provide a separate weekly radio report for these stations.

So that I can know what my constituents are thinking, each year I send a congressional questionnaire to each of the 134,000 households in our district, asking their opinions on the main issues facing our country. The response to these questionnaires has been outstanding.

As the Representative of this outstanding district, I have considered it my duty not only to be well informed of the opinions of my constituents, but also to be of the greatest possible service to those persons or local governmental units having problems dealing with agencies or departments of our Federal Government.

To close the 1,200-mile gap between these people and their Government in Washington, I hold grassroots conferences each year throughout our district at times when Congress is not in session.

During the time I am in Washington and unable to visit with my constituents in person, I have a competent secretary in our district office in the Federal building in St. Cloud to help them with their requests for aid in dealing with the Federal Government.

This year, during our official August recess, I am again taking time to hold grassroots conferences throughout our district at convenient public buildings. Because of the shortness of the recess, I must confine these meetings to the county seats this year.

I deeply appreciate the fine cooperation of the many public officials who have made these meetings possible by making conference sites available so that I can render this public service.

I have arranged the following schedule. All of the meetings will be held in the county courthouse.

The schedule follows:

SCHEDULE

Tuesday, August 18: 9:00 am to 11:30 am, Kandiyohi County in Willmar.

Wednesday, August 19: 9:30 am to 11:30 am, Redwood County in Redwood Falls.

Thursday, August 20: 9:00 am to 11:30 am, Meeker County in Litchfield; 2:00 pm to 4:30 pm, Wright County in Buffalo.

Monday, August 24: 9:00 am to 11:30 am, Stevens County in Morris; 2:00 pm to 4:30 pm, Big Stone County in Ortonville.

Tuesday, August 25: 9:00 am to 11:30 am, Lac Qui Parle County in Madison; 2:00 pm to 4:30 pm, Swift County in Benson.

Wednesday, August 26: 9:00 am to 11:30 am, Stearns County in St. Cloud; 2:00 pm to 4:30 pm, Benton County in Foley.

Thursday, August 27: 9:00 am to 11:30 am, Crow Wing County in Brainerd; 2:00 pm to 4:30 pm, Morrison County in Little Falls.

Friday, August 28: 9:00 am to 11:30 am, Mille Lacs County in Milaca; 2:00 am to 4:30 pm Sherburne County in Elk River.

Monday, August 31: 9:00 am to 11:30 am, Lincoln County in Ivanhoe; 2:00 pm to 4:30 pm, Lyon County in Marshall.

Tuesday, September 1: 9:00 am to 11:30 am, Yellow Medicine County in Granite Falls; 2:00 pm to 4:30 pm, Chippewa County in Montevideo.

Wednesday, September 2: 9:00 am to 11:30 am, Renville County in Olivia.

Anyone wishing to see me may do so at the location most convenient for them. No appointments are necessary. I sincerely urge individuals and groups to call on me if I can be of help to them in solving any of their problems dealing with the Federal Government.

The knowledge I obtain from these conferences will enable me to render better service, both legislative and personal, to all of the people of our important Sixth Congressional District.

TEMPORARY PERSONNEL SERVICES

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1970

Mr. WOLFF. Mr. Speaker, I would like to call attention to a significant contribution that many small businesses occupy in our economy. They have limited capital and limited credit, limited resources and limited ability to rebound after even a mild slowdown. They suffer from a number of critical shortages, not the least of which is skilled manpower.

Rising payroll costs are aggravating a situation where there is already strong downward pressure on profits. What Mr. Olsten offers is an approach to personnel management that can check the inflating ratio of payroll costs to the total volume of a small business without sacrificing any of the productive capacity needed to keep the business healthy and growing.

"Almost every business needs extra help at one time or another," Mr. Olsten points out in the new SBA booklet, "in

order to cope with rush orders, employee absences, seasonal peaks or special tasks." The extra workload puts a strain on the businessman and his employees as well as the budget when overtime is required to meet the emergency.

Rather than undertake the prohibitive expense of staffing a small business to meet these peak periods, Mr. Olsten recommends the use of temporary workers who can satisfy production requirements when and where they are needed. Mr. Olsten notes that these workers may be obtained from temporary-help firms for part of a day or for extended periods, and they are available for a wide range of office, professional, and industrial jobs.

The advantage of using a temporary personnel service shows up in the cost for getting the work done, Mr. Olsten explains. It costs considerably less than keeping extra employees on regular payroll, and it is also more economical than hiring temporary employees directly. But he also points out that in some circumstances—because of employee morale or specific job requirements—it is advisable to meet work emergencies with overtime.

The most efficient use of the efficient management tool that temporary help represents lies in long-range planning, Mr. Olsten emphasizes. Production and personnel emergencies are always there, but they need not turn into wasteful crises. That can be avoided: "Study your production schedules. Note peak periods. Compare this year with previous years. A pattern will begin to emerge, and you'll be able to see where some extra help would have avoided problems and kept your costs down."

In the SBA booklet, Mr. Olsten also advises the small businessman on the important details of how to select a temporary-help firm and the mechanics of requesting and utilizing temporary employees so as to get the most out of the temporary work dollar. The booklet, distilling the experience and advice of Mr.

Olsten in the critical personnel area, is indeed a valuable tool for the small businessman.

We can also look beyond the small businessman to appreciate the benefits that temporary work holds out for the employee involved and the Nation as a whole. Temporary workers comprise a significant portion of the labor force, and the large majority of them are women. Typically, they are housewives—or recently widowed or divorced—who cannot or do not have the need to work at a permanent job. They enter the labor market for a number of reasons: to lead a more active and rewarding life; to supplement regular family income that may otherwise be inadequate; to help pay for large expenses such as hospital bills or college tuition; or to buy special items that they would otherwise not afford.

The fact that these women want to join the labor force and find temporary work the most convenient way is certainly a benefit to business and industry that needs their skills. Many of them worked regularly before getting married and need only a brief refresher course, provided free of charge by a number of temporary service firms, in order to bring their skills up to date.

A smaller, but important group of workers who benefit from temporary employment, includes senior citizens and those who retire early. As a supplement to social security or pensions, their earnings allow older people to live more comfortably. More important, temporary work gives them a feeling of being useful, and allows them to lead a more vigorous and active life when they don't want to retire completely. Employers also value older workers because of their dependability and the years of experience they bring to their temporary jobs.

A variety of skills and services are thus mobilized for the mutual benefit of temporary workers, businesses that use them and the entire economy of the country.

SENATE—Friday, July 24, 1970

The Senate met at 11 a.m. and was called to order by Hon. JAMES B. ALLEN, a Senator from the State of Alabama.

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God our Father, all the ways of our need lead to Thy throne and Thou satisfieth us early with Thy mercy. As we turn from the tumult and tension of our troubled times, in this quiet moment we pray that Thou wilt "take from our souls the strain and stress, and let our ordered lives confess the beauty of Thy peace."

Grant us, Lord, not the peace of escape from our burdens, but the peace of work well done. Seal our lives against cynicism, doubt, and fear and all the little evils which blight the spirit and break fellowship with Thee and with one another.

Keep us young in heart and mind, growing in all that pertains to Thy kingdom. And may there come at eventide the realization of the prophet's words: *The work of righteousness shall be peace;*

and the effect of righteousness, quietness, and confidence forever.

In Thy holy name we pray. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication from the President pro tempore of the Senate (Mr. RUSSELL).

The assistant legislative clerk read the following letter:

U. S. SENATE,

PRESIDENT PRO TEMPORE,

Washington, D.C., July 24, 1970.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. JAMES B. ALLEN, a Senator from the State of Alabama, to perform the duties of the Chair during my absence.

RICHARD B. RUSSELL,

President pro tempore.

Mr. ALLEN thereupon took the chair as Acting President pro tempore.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND A JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Geisler, one of his secretaries, and he announced that the President had approved and signed the following acts and joint resolution:

On July 17, 1970:

S. 3564. An act to amend the Federal Youth Corrections Act (18 U.S.C. 5005 et seq.) to permit examiners to conduct interviews with youth offenders.

On July 18, 1970:

S. 1455. An act to amend section 8c(2) (A) of the Agricultural Adjustment Act to provide for marketing orders for apples produced in Colorado, Utah, New Mexico, Illinois, and Ohio;

S. 3592. An act to amend the Federal Meat Inspection Act, as amended, to clarify the provisions relating to custom slaughtering operations; and

S. 3598. An act to amend section 32(e) of title III of the Bankhead-Jones Farm Tenant Act, as amended, to authorize the Secretary